


STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING						FORM 3 AMENDED REPORT <input type="checkbox"/>				
<b>APPLICATION FOR PERMIT TO DRILL</b>						1. WELL NAME and NUMBER BONANZA 1023-17D4BS				
2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>						3. FIELD OR WILDCAT NATURAL BUTTES				
4. TYPE OF WELL Gas Well <input type="checkbox"/> Coalbed Methane Well: NO <input type="checkbox"/>						5. UNIT or COMMUNITIZATION AGREEMENT NAME PONDEROSA				
6. NAME OF OPERATOR KERR-MCGEE OIL & GAS ONSHORE, L.P.						7. OPERATOR PHONE 720 929-6515				
8. ADDRESS OF OPERATOR P.O. Box 173779, Denver, CO, 80217						9. OPERATOR E-MAIL julie.jacobson@anadarko.com				
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) UTU37355			11. MINERAL OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>			12. SURFACE OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>				
13. NAME OF SURFACE OWNER (if box 12 = 'fee')						14. SURFACE OWNER PHONE (if box 12 = 'fee')				
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')						16. SURFACE OWNER E-MAIL (if box 12 = 'fee')				
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')			18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input checked="" type="checkbox"/> (Submit Commingling Application) NO <input type="checkbox"/>			19. SLANT VERTICAL <input type="checkbox"/> DIRECTIONAL <input checked="" type="checkbox"/> HORIZONTAL <input type="checkbox"/>				
20. LOCATION OF WELL	FOOTAGES		QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN			
LOCATION AT SURFACE	723 FNL 2241 FWL		NENW	17	10.0 S	23.0 E	S			
Top of Uppermost Producing Zone	822 FNL 823 FWL		NWNW	17	10.0 S	23.0 E	S			
At Total Depth	822 FNL 823 FWL		NWNW	17	10.0 S	23.0 E	S			
21. COUNTY UINTAH			22. DISTANCE TO NEAREST LEASE LINE (Feet) 823		23. NUMBER OF ACRES IN DRILLING UNIT 1920					
			25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 562		26. PROPOSED DEPTH MD: 8443 TVD: 8168					
27. ELEVATION - GROUND LEVEL 5249			28. BOND NUMBER WYB000291		29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 43-8496					
<b>Hole, Casing, and Cement Information</b>										
String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
Surf	11	8.625	0 - 2170	28.0	J-55 LT&C	0.2	Type V	180	1.15	15.8
							Class G	270	1.15	15.8
Prod	7.875	4.5	0 - 8443	11.6	I-80 LT&C	12.5	Premium Lite High Strength	270	3.38	12.0
							50/50 Poz	1180	1.31	14.3
<b>ATTACHMENTS</b>										
<b>VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES</b>										
<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER					<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN					
<input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)					<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER					
<input checked="" type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)					<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP					
NAME Danielle Piernot				TITLE Regulatory Analyst			PHONE 720 929-6156			
SIGNATURE				DATE 09/24/2012			EMAIL danielle.piernot@anadarko.com			
API NUMBER ASSIGNED 43047531840000				APPROVAL  Permit Manager						



**Kerr-McGee Oil & Gas Onshore. L.P.****BONANZA1023-17D4BS**

Surface: 723 FNL / 2241 FWL NENW  
BHL: 822 FNL / 823 FWL NWNW

Section 17 T10S R23E

Uintah County, Utah  
Mineral Lease: UTU-37355

**ONSHORE ORDER NO. 1****DRILLING PROGRAM**

1. & 2. **Estimated Tops of Important Geologic Markers:**  
**Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

<u>Formation</u>	<u>Depth</u>	<u>Resource</u>
Uinta	0 - Surface	
Green River	937'	
Birds Nest	1,232'	Water
Mahogany	1,718'	Water
Wasatch	3,953'	Gas
Mesaverde	5,963'	Gas
Sego	8,168'	Gas
TVD	8,168'	
TD	8,443'	

3. **Pressure Control Equipment** (Schematic Attached)

Please refer to the attached Drilling Program

4. **Proposed Casing & Cementing Program:**

Please refer to the attached Drilling Program

5. **Drilling Fluids Program:**

Please refer to the attached Drilling Program

6. **Evaluation Program:**

Please refer to the attached Drilling Program



**7. Abnormal Conditions:**

Maximum anticipated bottom hole pressure calculated at 8168' TVD, approximately equals  
5,228 psi 0.64 psi/ft = actual bottomhole gradient

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Maximum Anticipated Bottom Hole Pressure (MABHP) = Pore Pressure at TD

Maximum anticipated surface pressure equals approximately 3,419 psi (bottom hole pressure  
minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot, per Onshore Order No. 2).

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Per Onshore Order No. 2 - Max Anticipated Surf. Press.(MASP) = (Pore Pressure at next csg point-  
(0.22 psi/ft-partial evac gradient x TVD of next csg point))

**8. Anticipated Starting Dates:**

Drilling is planned to commence immediately upon approval of this application.

**9. Variances:**

Please refer to the attached Drilling Program.  
Onshore Order #2 – Air Drilling Variance

Kerr-McGee Oil & Gas Onshore LP (KMG) respectfully requests a variance to several requirements associated with air drilling outlined in Onshore Order 2

- Blowout Prevention Equipment (BOPE) requirements;
- Mud program requirements; and
- Special drilling operation (surface equipment placement) requirements associated with air drilling.

This Standard Operating Practices addendum provides supporting information as to why KMG current air drilling practices for constructing the surface casing hole should be granted a variance to Onshore Order 2 air drilling requirements.

The reader should note that the air rig is used only to construct a stable surface casing hole through a historically difficult lost circulation zone. A conventional rotary rig follows the air rig, and is used to drill and construct the majority of the wellbore.

More notable, KMG has used the air rig layout and procedures outlined below to drill the surface casing hole in approximately 675 wells without incident of blow out or loss of life.

**Background**

In a typical well, KMG utilizes an air rig for drilling the surface casing hole, an interval from the surface to surface casing depths, which varies in depth from 1,700 to 2,800 feet. The air rig drilling operation does not drill through productive or over pressured formations in KMG field, but does penetrate the Uinta and Green River Formations. The purpose of the air drilling operation is to overcome the severe loss circulation zone in the Green River known as the Bird's Nest while creating a stable hole for the surface casing. The surface casing hole is generally drilled to approximately 500 feet below the Bird's Nest.



Before the surface air rig is mobilized, a rathole rig is utilized to set and cement conductor pipe through a competent surface formation. Generally, the conductor is set at 40 feet. In some cases, conductor may be set deeper in areas that the surface formation is not found competent. This rig also drills the rat and mouse holes in preparation for the surface casing and production string drilling operations.

The air rig is then mobilized to drill the surface casing hole by drilling a 12 1/4 inch hole for the first 200 feet, then will drill a 11 inch hole to just above the Bird's Nest interval with an air hammer. The hammer is then tripped and replaced with a 11 inch tri-cone bit. The tri-cone bit is used to drill to the surface casing point, approximately 500 feet below the loss circulation zone (Bird's Nest). The 8-5/8 inch surface casing is then run and cemented in place, thereby isolating the lost circulation zone.

KMG fully appreciates Onshore Order 2 well control and safety requirements associated with a typical air drilling operations. However, the requirements of Onshore Order 2 are excessive with respect to the air rig layout and drilling operation procedures that are currently in practice to drill and control the surface casing hole in KMG Fields.

#### **Variance for BOPE Requirements**

The air rig operation utilizes a properly lubricated and maintained air bowl diverter system which diverts the drilling returns to a six-inch blooie line. The air bowl is the only piece of BOPE equipment which is installed during drilling operations and is sufficient to contain the air returns associated with this drilling operation. As was discussed earlier, the drilling of the surface hole does not encounter any over pressured or productive zones, and as a result standard BOPE equipment should not be required. In addition, standard drilling practices do not support the use of BOPE on 40 feet of conductor pipe.

#### **Variance for Mud Material Requirements**

Onshore Order 2 also states that sufficient quantities of mud materials shall be maintained or readily accessible for the purpose of assuring adequate well control. Once again, the surface hole drilling operations does not encounter over pressured or productive intervals, and as a result there is not a need to control pressure in the surface hole with a mud system. Instead of mud, the air rigs utilize water from the reserve pit for well control, if necessary. A skid pump which is located near the reserve pit (see attachment) will supply the water to the well bore.

#### **Variance for Special Drilling Operation (surface equipment placement) Requirements**

Onshore Order 2 requires specific safety distances or setbacks for the placement of associated standard air drilling equipment, wellbore, and reserve pits. The air rigs used to drill the surface holes are not typical of an air rig used to drill a producing hole in other parts of the US. These are smaller in nature and designed to fit a KMG location. The typical air rig layout for drilling surface hole in the field is attached.

Typically the blooie line discharge point is required to be 100 feet from the well bore. In the case of a KMG well, the reserve pit is only 45 feet from the rig and is used for the drill cuttings. The blooie line, which transports the drill cuttings from the well to the reserve pit, subsequently discharges only 45 feet from the well bore.

Typically the air rig compressors are required to be located in the opposite direction from the blooie line and a minimum of 100 feet from the well bore. At the KMG locations, the air rig compressors are approximately 40 feet from the well bore and approximately 60 feet from the blooie line discharge due to the unique air rig design. The air compressors (see attachment) are located on the rig (1250 cfm) and



on a standby trailer (1170 cfm). A booster sits between the two compressors and boosts the output from 350 psi to 2000 psi. The design does put the booster and standby compressor opposite from the blooie line.

Lastly, Onshore Order 2 addresses the need for an automatic igniter or continuous pilot light on the blooie line. The air rig does not utilize an igniter as the surface hole drilling operation does not encounter productive formations.

#### **Variance for FIT Requirements**

KMG also respectfully requests a variance to Onshore Order 2, Section III, Part Bi, for the pressure integrity test (PIT, also known as a formation integrity test (FIT)). This well is not an exploratory well and is being drilled in an area where the formation integrity is well known. Additionally, when an FIT is run with the mud weight as required, the casing shoe frequently breaks down and causes subsequent lost circulation when drilling the entire depth of the well.

#### **Conclusion**

The air rig operating procedures and the attached air rig layout have effectively maintained well control while drilling the surface holes in KMG Fields. KMG respectfully requests a variance from Onshore Order 2 with respect to air drilling well control requirements as discussed above.

#### **10. Other Information:**

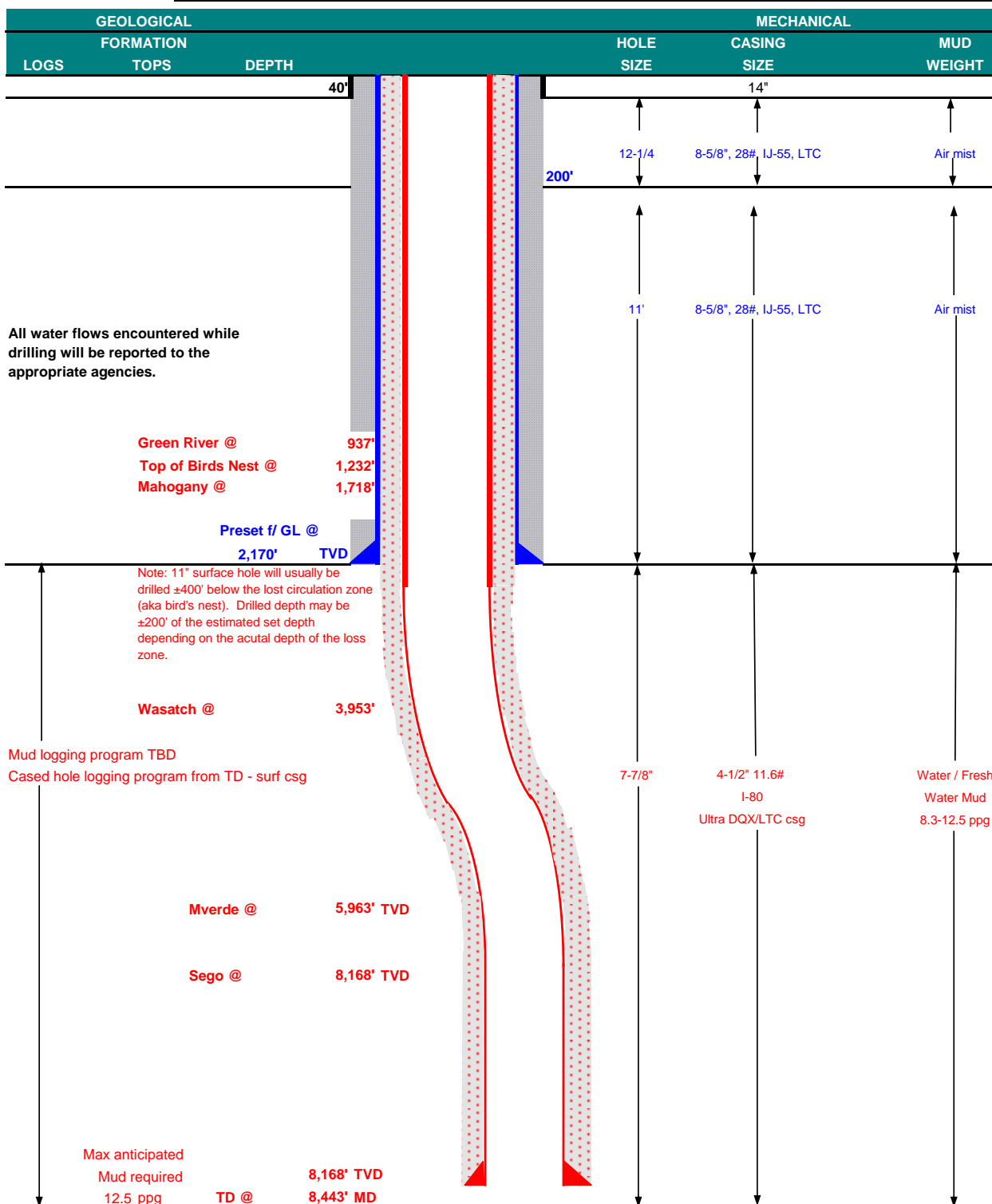
Please refer to the attached Drilling Program.





## KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

COMPANY NAME	KERR-McGEE OIL & GAS ONSHORE LP	DATE	May 11, 2012	
WELL NAME	<b>BONANZA1023-17D4BS</b>	TD	8,168' TVD	8,443' MD
FIELD	Natural Buttes	COUNTY	Uintah	STATE
			Utah	FINISHED ELEVATION
SURFACE LOCATION	NENW 723 FNL 2241 FWL	Sec 17	T 10S R 23E	5248.6
	Latitude: 39.954258	Longitude: -109.352118	NAD 83	
BTM HOLE LOCATION	NWNW 822 FNL 823 FWL	Sec 17	T 10S R 23E	
	Latitude: 39.953965	Longitude: -109.357177	NAD 83	
OBJECTIVE ZONE(S)	Wasatch/Mesaverde			
ADDITIONAL INFO	Regulatory Agencies: BLM (Minerals), BLM (Surface), UDOGM Tri-County Health Dept.			



RECEIVED: August 21, 2012





## KERR-McGEE OIL & GAS ONSHORE LP

### DRILLING PROGRAM

**CASING PROGRAM**

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS			
						LTC		DQX	
						BURST	COLLAPSE	TENSION	
CONDUCTOR	14"	0-40'				3,390	1,880	348,000	N/A
SURFACE	8-5/8"	0 to 2,170	28.00	IJ-55	LTC	2.49	1.85	6.54	N/A
						7,780	6,350	223,000	267,035
PRODUCTION	4-1/2"	0 to 5,000	11.60	I-80	DQX	1.11	1.20		3.37
	4-1/2"	5,000 to 8,443'	11.60	I-80	LTC	1.11	1.20	6.90	

**Surface Casing:**

(Burst Assumptions: TD = 12.5 ppg) 0.73 psi/ft = frac gradient @ surface shoe

Fracture at surface shoe with 0.1 psi/ft gas gradient above

(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing\*Buoy.Fact. of water)

**Production casing:**

(Burst Assumptions: Pressure test with 8.4ppg @ 7000 psi) 0.64 psi/ft = bottomhole gradient

(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing\*Buoy.Fact. of water)

**CEMENT PROGRAM**

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT		YIELD
SURFACE	LEAD	500'	Premium cmt + 2% CaCl	180	60%	15.80		1.15
Option 1			+ 0.25 pps flocele					
	TOP OUT CMT (6 jobs)	1,200'	20 gals sodium silicate + Premium cmt	270	0%	15.80		1.15
			+ 2% CaCl + 0.25 pps flocele					
SURFACE		NOTE: If well will circulate water to surface, option 2 will be utilized						
Option 2	LEAD	1,670'	65/35 Poz + 6% Gel + 10 pps gilsonite	160	35%	11.00		3.82
			+ 0.25 pps Flocele + 3% salt BWOW					
	TAIL	500'	Premium cmt + 2% CaCl	150	35%	15.80		1.15
			+ 0.25 pps flocele					
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.80		1.15
PRODUCTION	LEAD	3,453'	Premium Lite II +0.25 pps	270	35%	12.00		3.38
			celloflake + 5 pps gilsonite + 10% gel					
			+ 0.5% extender					
	TAIL	4,990'	50/50 Poz/G + 10% salt + 2% gel	1,180	35%	14.30		1.31
			+ 0.1% R-3					

\*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

\*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

**FLOAT EQUIPMENT & CENTRALIZERS**

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe
PRODUCTION	Float shoe, 1 jt, float collar. 15 centralizers for a Mesaverde and 20 for a Blackhawk well. 1 centralizer on the first 3 joints and one every third joint thereafter.

**ADDITIONAL INFORMATION**

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. The BOPE will be installed before the production hole is drilled and tested to 5,000 psi (annular to 2,500 psi) prior to drilling out the surface casing shoe. Record on chart recorder and tour sheet. Function test rams on each trip. Maintain safety valve and inside BOP on rig floor at all times. Most rigs have top drives; however, if used, the Kelly is to be equipped with upper and lower kelly valves.

Surveys will be taken at 1,000' minimum intervals.

Most rigs have PVT System for mud monitoring. If no PVT is available, visual monitoring will be utilized.

**DRILLING ENGINEER:**

Nick Spence / Danny Showers / Chad Loesel

**DATE:****DRILLING SUPERINTENDENT:**

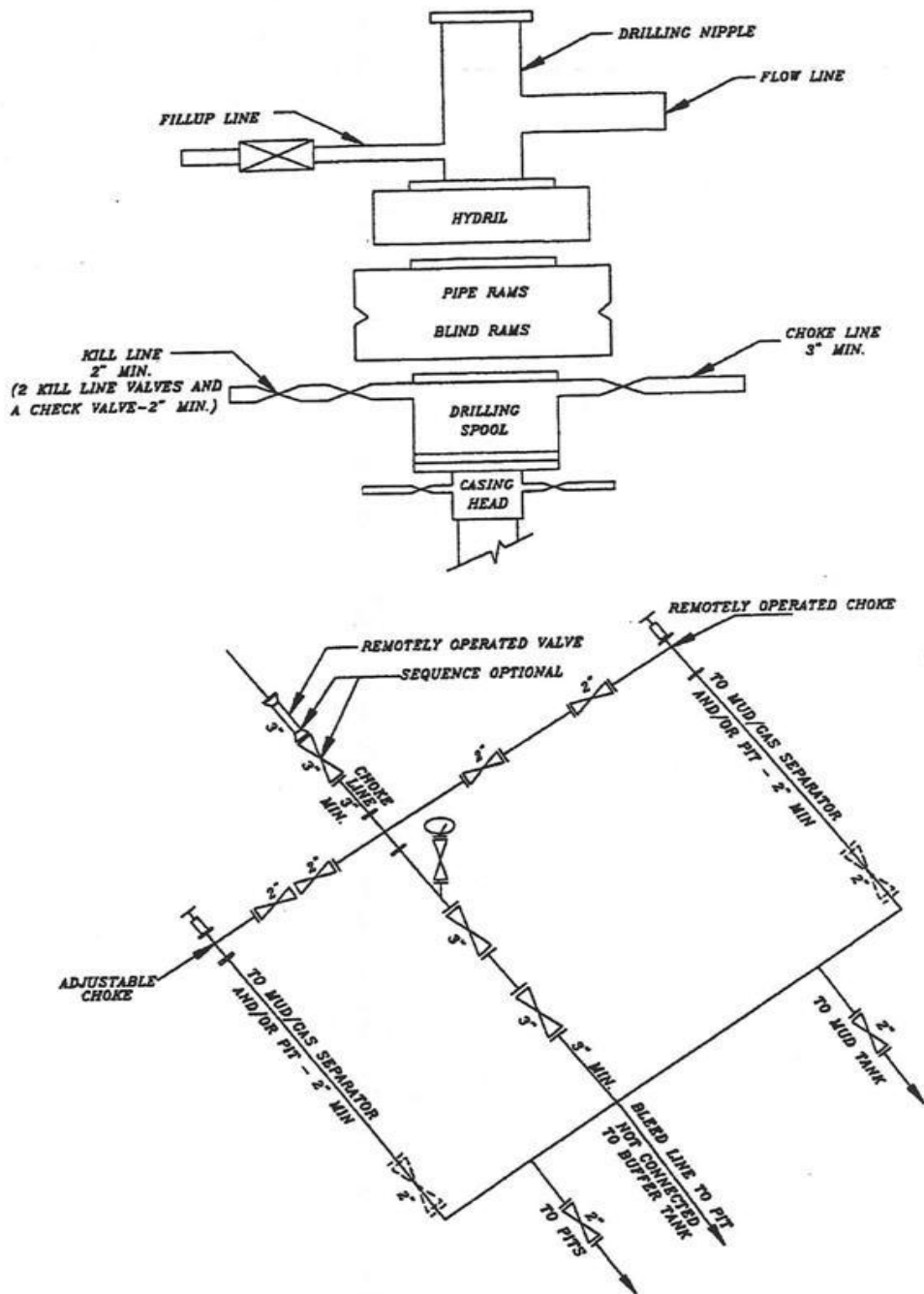
Kenny Gathings / Lovel Young

**DATE:**

RECEIVED: August 21, 2012



# EXHIBIT A BONANZA1023-17D4BS



SCHEMATIC DIAGRAM OF 5,000 PSI BOP STACK



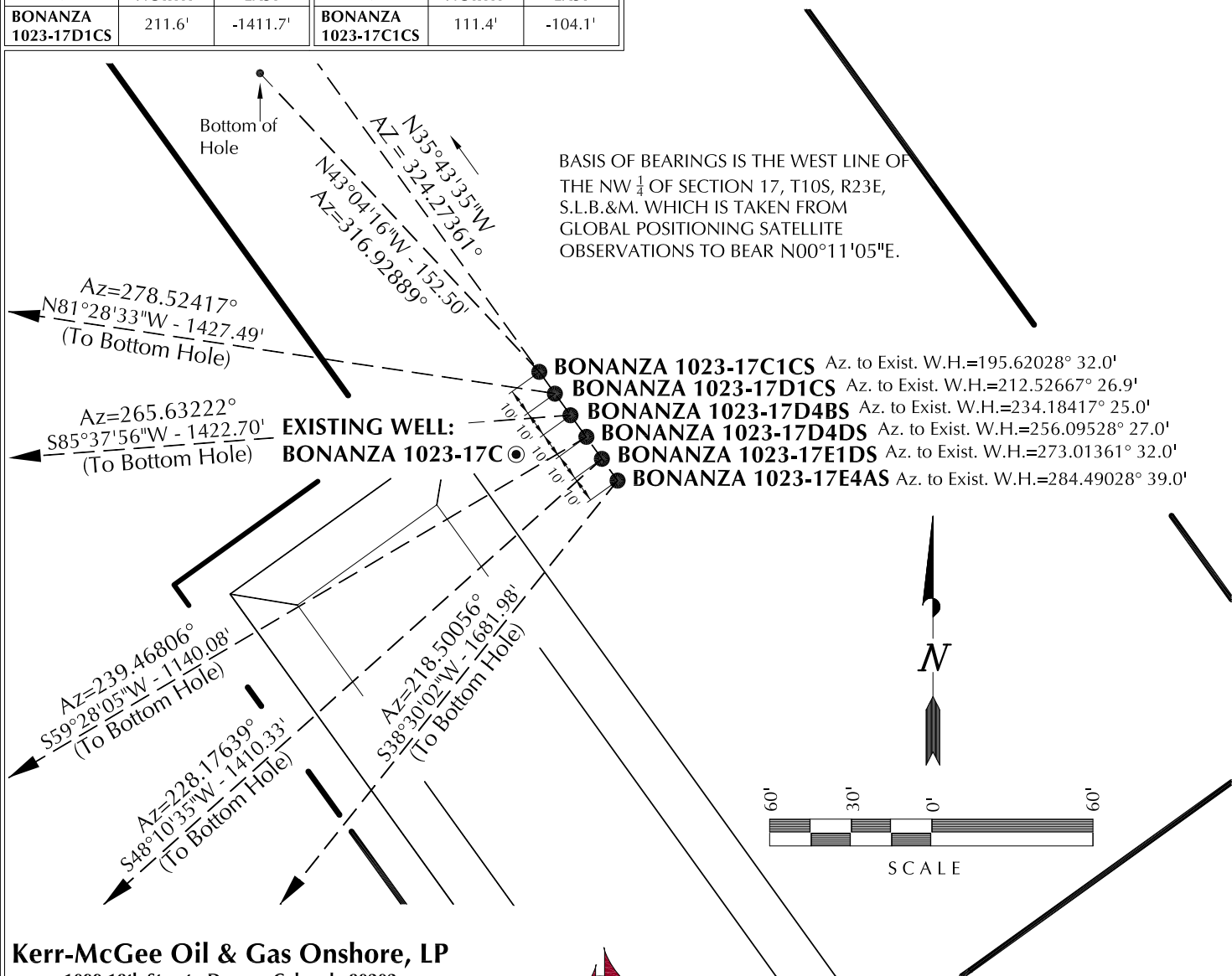




WELL NAME	SURFACE POSITION					BOTTOM HOLE				
	NAD83		NAD27		FOOTAGES	NAD83		NAD27		FOOTAGES
	LATITUDE	LONGITUDE	LATITUDE	LONGITUDE		LATITUDE	LONGITUDE	LATITUDE	LONGITUDE	
BONANZA 1023-17E4AS	39°57'15.087"	109°21'07.399"	39°57'15.209"	109°21'04.957"	748' FNL	39°57'02.095"	109°21'20.862"	39°57'02.217"	109°21'18.419"	2057' FNL
BONANZA 1023-17E1DS	39°57'15.167"	109°21'07.474"	39°57'15.289"	109°21'05.032"	740' FNL	39°57'05.888"	109°21'20.981"	39°57'06.010"	109°21'18.538"	1673' FNL
BONANZA 1023-17D4DS	39°57'15.248"	109°21'07.548"	39°57'15.370"	109°21'05.106"	732' FNL	39°57'09.537"	109°21'20.164"	39°57'09.659"	109°21'17.721"	1304' FNL
BONANZA 1023-17D4BS	39°57'15.328"	109°21'07.624"	39°57'15.450"	109°21'05.181"	723' FNL	39°57'14.275"	109°21'25.837"	39°57'14.397"	109°21'23.393"	822' FNL
BONANZA 1023-17D1CS	39°57'15.408"	109°21'07.698"	39°57'15.530"	109°21'05.255"	715' FNL	39°57'17.516"	109°21'25.818"	39°57'17.638"	109°21'23.375"	494' FNL
BONANZA 1023-17C1CS	39°57'15.488"	109°21'07.773"	39°57'15.610"	109°21'05.331"	707' FNL	39°57'16.590"	109°21'09.108"	39°57'16.712"	109°21'06.666"	595' FNL
BONANZA 1023-17C	39°57'15.184"	109°21'07.884"	39°57'15.306"	109°21'05.442"	738' FNL	39°57'15.184"	109°21'07.884"	39°57'15.306"	109°21'05.442"	738' FNL

## RELATIVE COORDINATES - From Surface Position to Bottom Hole

WELL NAME	NORTH	EAST	WELL NAME	NORTH	EAST	WELL NAME	NORTH	EAST	WELL NAME	NORTH	EAST
BONANZA 1023-17E4AS	-1316.3'	-1047.1'	BONANZA 1023-17E1DS	-940.5'	-1051.0'	BONANZA 1023-17D4DS	-579.2'	-982.0'	BONANZA 1023-17D4BS	-108.4'	-1418.6'
BONANZA 1023-17D1CS	211.6'	-1411.7'	BONANZA 1023-17C1CS	111.4'	-104.1'						



**Kerr-McGee Oil & Gas Onshore, LP**  
1099 18th Street - Denver, Colorado 80202

**WELL PAD - BONANZA 1023-17C4****WELL PAD INTERFERENCE PLAT WELLS:**

BONANZA 1023-17E4AS, BONANZA 1023-17E1DS,  
BONANZA 1023-17D4DS, BONANZA 1023-17D4BS,  
BONANZA 1023-17D1CS & BONANZA 1023-17C1CS  
LOCATED IN SECTION 17, T10S, R23E,  
S.L.B.&M., UTAH COUNTY, UTAH.



**CONSULTING, LLC**  
2155 North Main Street  
Sheridan WY 82801  
Phone 307-674-0609  
Fax 307-674-0182

**TIMBERLINE**

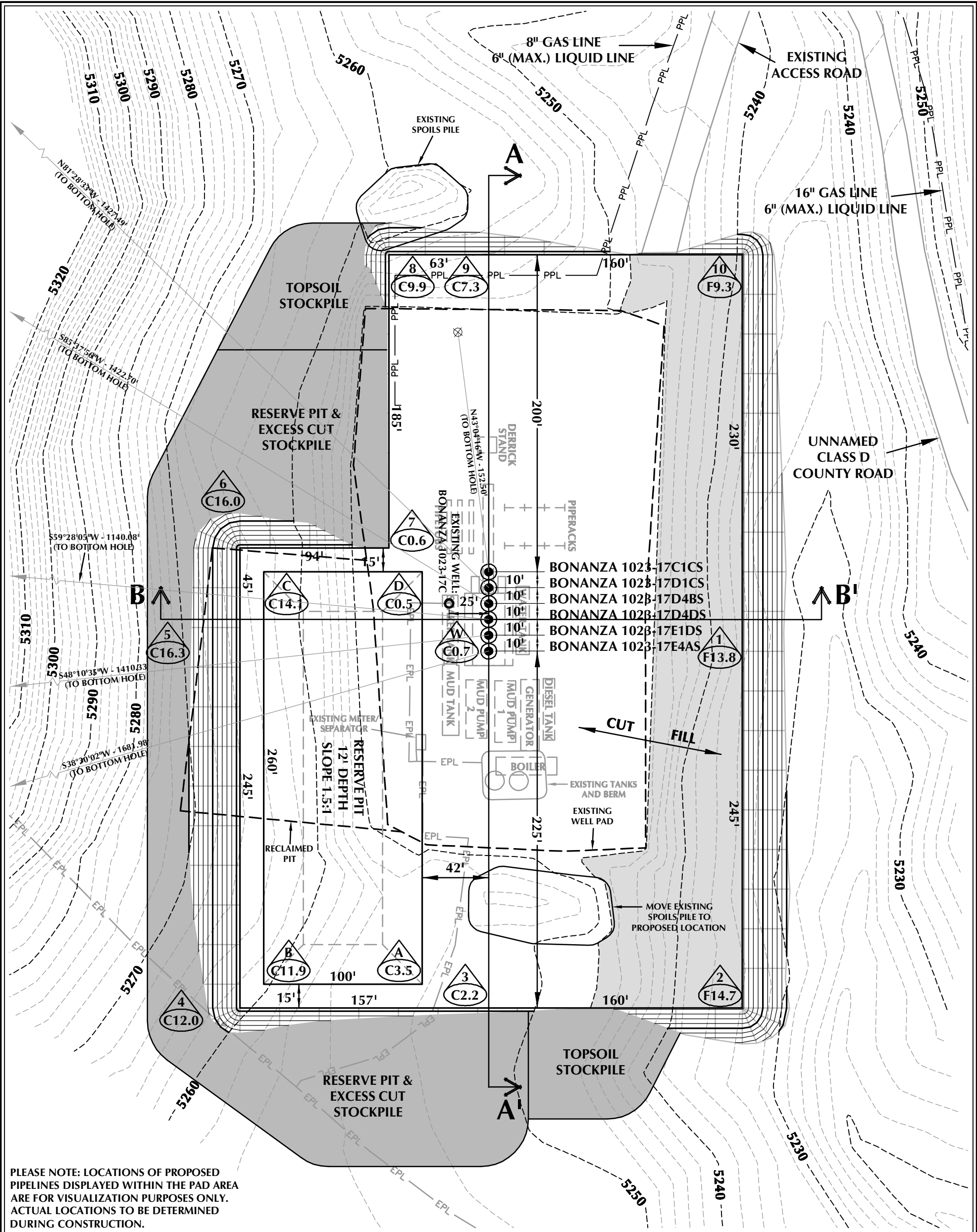
(435) 789-1365

ENGINEERING & LAND SURVEYING, INC.  
209 NORTH 300 WEST - VERNAL, UTAH 84078

DATE SURVEYED: 10-12-11	SURVEYED BY: W.W.	SHEET NO: <b>7</b> 7 OF 18
DATE DRAWN: 11-20-11	DRAWN BY: T.J.R.	
SCALE: 1" = 60'	Date Last Revised:	

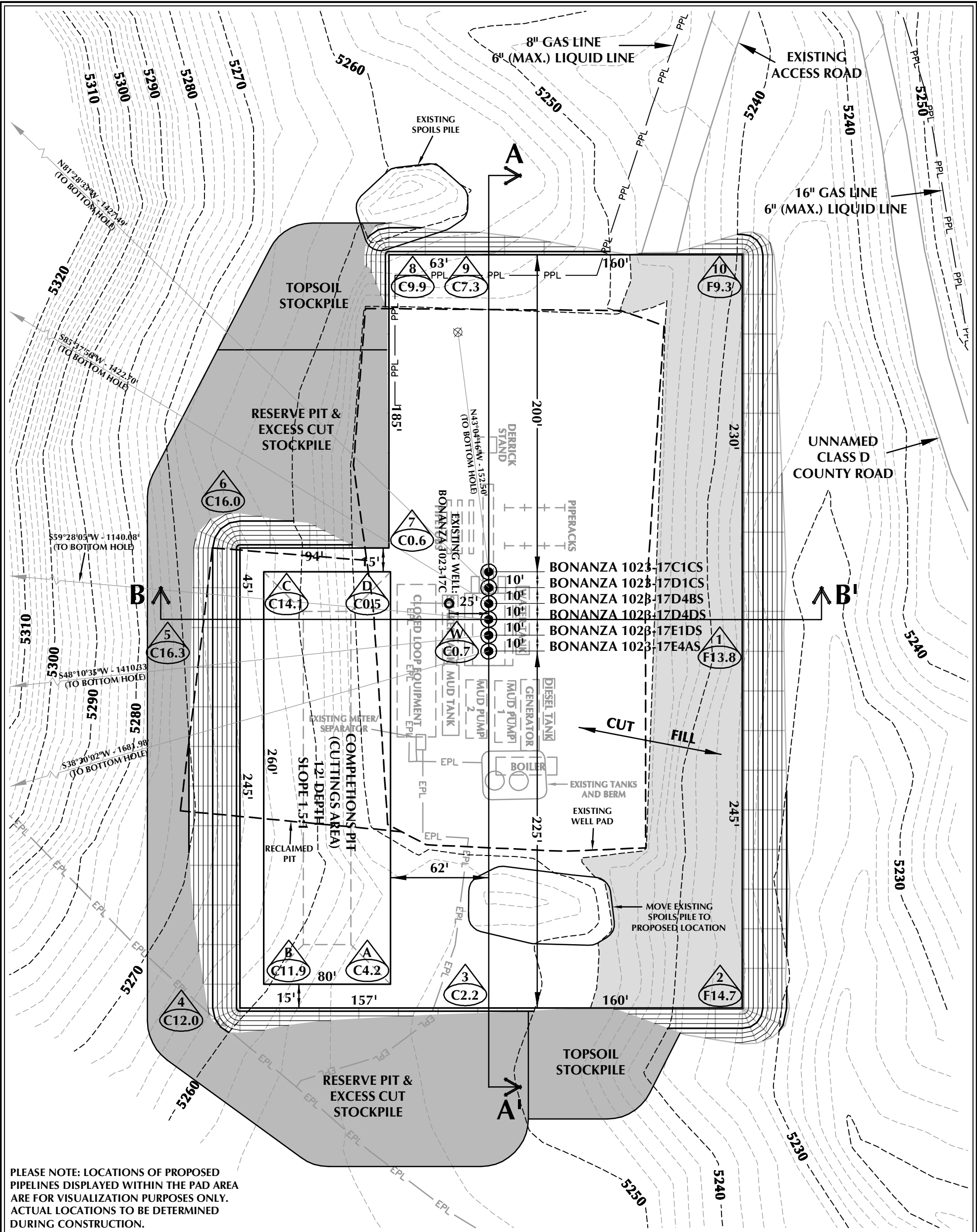
RECEIVED: August 21, 2012



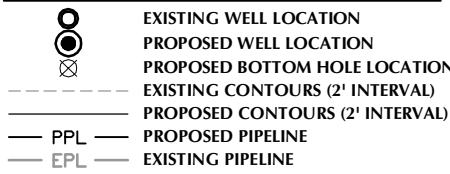





WELL PAD - BONANZA 1023-17C4 DESIGN SUMMARY			WELL PAD LEGEND	
<p>EXISTING GRADE @ CENTER OF WELL PAD = 5249.3'</p> <p>FINISHED GRADE ELEVATION = 5248.6'</p> <p>CUT SLOPES = 1.5:1</p> <p>FILL SLOPES = 1.5:1</p> <p>TOTAL WELL PAD AREA = 3.72 ACRES</p> <p>TOTAL DISTURBANCE AREA = 4.95 ACRES</p> <p>SHRINKAGE FACTOR = 1.10</p> <p>SWELL FACTOR = 1.00</p> <p><b>Kerr-McGee Oil &amp; Gas Onshore, LP</b></p> <p>1099 18th Street - Denver, Colorado 80202</p>			<p> EXISTING WELL LOCATION</p> <p> PROPOSED WELL LOCATION</p> <p> PROPOSED BOTTOM HOLE LOCATION</p> <p> EXISTING CONTOURS (2' INTERVAL)</p> <p> PROPOSED CONTOURS (2' INTERVAL)</p> <p> PPL</p> <p> EPL</p> <p></p> <p> 0 30' 60' 1" = 60'</p> <p>HORIZONTAL</p> <p>2' CONTOURS</p>	
<p><b>WELL PAD - BONANZA 1023-17C4</b></p> <p>WELL PAD - LOCATION LAYOUT</p> <p>BONANZA 1023-17E4AS, BONANZA 1023-17E1DS, BONANZA 1023-17D4DS, BONANZA 1023-17D4BS, BONANZA 1023-17D1CS &amp; BONANZA 1023-17C1CS</p> <p>LOCATED IN SECTION 17, T10S, R23E, S.L.B.&amp;M., UINTAH COUNTY, UTAH</p>			<p> <b>609</b></p> <p>CONSULTING, LLC</p> <p>2155 North Main Street</p> <p>Sheridan, WY 82801</p> <p>Phone 307-674-0609</p> <p>Fax 307-674-0182</p>	
<p><b>TIMBERLINE</b></p> <p>ENGINEERING &amp; LAND SURVEYING, INC.</p> <p>209 NORTH 300 WEST - VERNAL, UTAH 84078</p>			<p>SCALE: 1"=60' DATE: 11/30/11 SHEET NO: <b>8</b></p> <p>REVISED: 8 OF 18</p>	

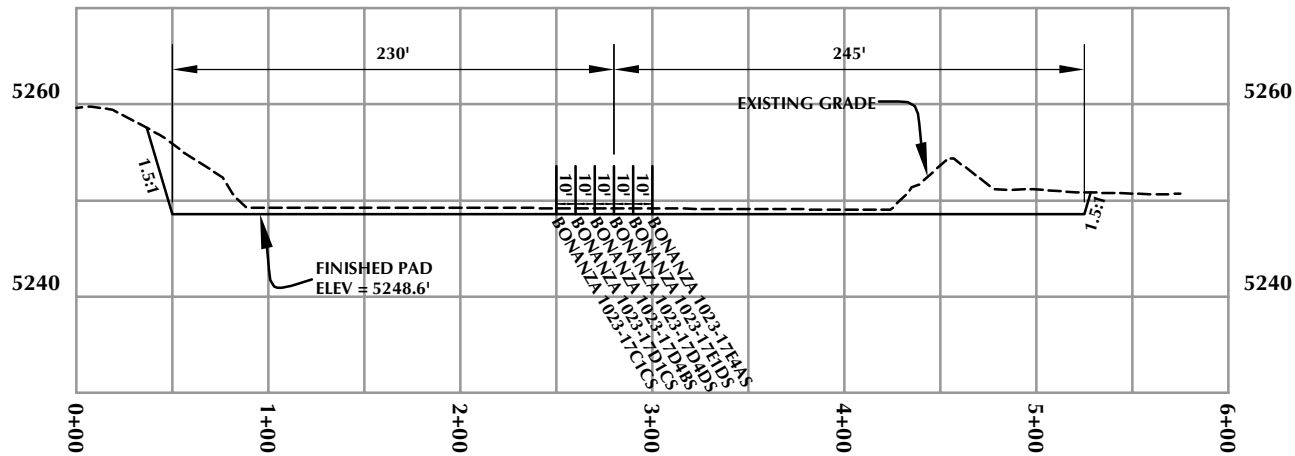




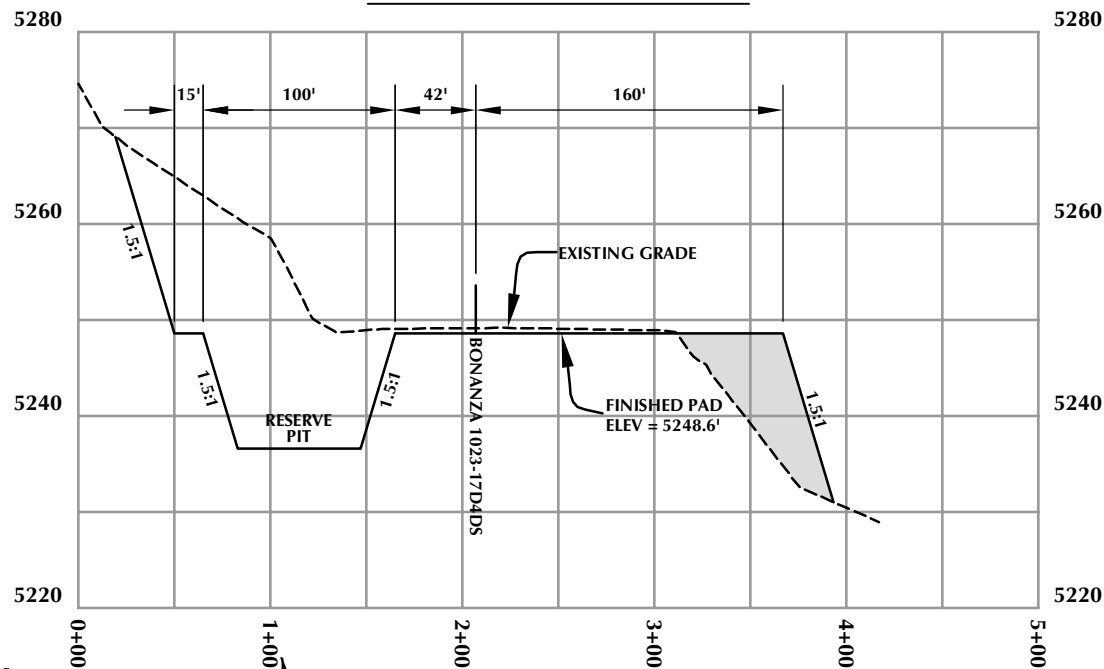
PLEASE NOTE: LOCATIONS OF PROPOSED PIPELINES DISPLAYED WITHIN THE PAD AREA ARE FOR VISUALIZATION PURPOSES ONLY. ACTUAL LOCATIONS TO BE DETERMINED DURING CONSTRUCTION.

WELL PAD - BONANZA 1023-17C4 (CLOSED LOOP) DESIGN SUMMARY		WELL PAD LEGEND	
<p>EXISTING GRADE @ CENTER OF WELL PAD = 5249.3'</p> <p>FINISHED GRADE ELEVATION = 5248.6'</p> <p>CUT SLOPES = 1.5:1</p> <p>FILL SLOPES = 1.5:1</p> <p>TOTAL WELL PAD AREA = 3.72 ACRES</p> <p>TOTAL DISTURBANCE AREA = 4.95 ACRES</p> <p>SHRINKAGE FACTOR = 1.10</p> <p>SWELL FACTOR = 1.00</p> <p><b>Kerr-McGee Oil &amp; Gas Onshore, LP</b></p> <p>1099 18th Street - Denver, Colorado 80202</p>		<p></p> <p></p> <p></p> <p>HORIZONTAL 2' CONTOURS 1" = 60'</p>	
<p><b>WELL PAD - BONANZA 1023-17C4</b></p> <p>WELL PAD - LOCATION LAYOUT</p> <p>BONANZA 1023-17E4AS, BONANZA 1023-17E1DS, BONANZA 1023-17D4DS, BONANZA 1023-17D4BS, BONANZA 1023-17D1CS &amp; BONANZA 1023-17C1CS</p> <p>LOCATED IN SECTION 17, T10S, R23E, S.L.B.&amp;M., UINTAH COUNTY, UTAH</p>		<p></p> <p>CONSULTING, LLC</p> <p>2155 North Main Street</p> <p>Sheridan, WY 82801</p> <p>Phone 307-674-0609</p> <p>Fax 307-674-0182</p>	
<p><b>WELL PAD QUANTITIES</b></p> <p>TOTAL CUT FOR WELL PAD = 14,933 C.Y.</p> <p>TOTAL FILL FOR WELL PAD = 13,354 C.Y.</p> <p>TOPSOIL @ 6" DEPTH = 1,943 C.Y.</p> <p>EXCESS MATERIAL = 1,579 C.Y.</p> <p><b>COMPLETIONS PIT QUANTITIES</b></p> <p>TOTAL CUT FOR COMPLETIONS PIT +/- 6,720 C.Y.</p> <p>COMPLETIONS PIT CAPACITY (2' OF FREEBOARD) +/- 25,260 BARRELS</p>		<p>SCALE: 1"=60' DATE: 1/20/12 SHEET NO: <b>8B</b> 8B OF 18</p> <p>REVISED:</p>	
<p><b>TIMBERLINE ENGINEERING &amp; LAND SURVEYING, INC.</b></p> <p>209 NORTH 300 WEST - VERNAL, UTAH 84078</p> <p>(435) 789-1365</p>			





**CROSS SECTION A-A'**



**CROSS SECTION B-B'**

**Kerr-McGee Oil & Gas Onshore, LP**  
1099 18th Street - Denver, Colorado 80202

**WELL PAD - BONANZA 1023-17C4**

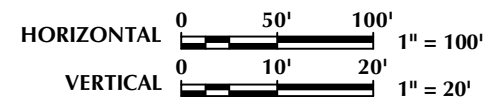
**WELL PAD - CROSS SECTIONS**  
BONANZA 1023-17E4AS, BONANZA 1023-17E1DS,  
BONANZA 1023-17D4DS, BONANZA 1023-17D4BS,  
BONANZA 1023-17D1CS & BONANZA 1023-17C1CS  
LOCATED IN SECTION 17, T10S, R23E,  
S.L.B.&M., UTAH COUNTY, UTAH



**CONSULTING, LLC**  
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**TIMBERLINE**  
**ENGINEERING & LAND SURVEYING, INC.**  
209 NORTH 300 WEST - VERNAL, UTAH 84078

(435) 789-1365



**Scale:** 1"=100' **Date:** 11/30/11  
**REVISED:** JID 1/20/12

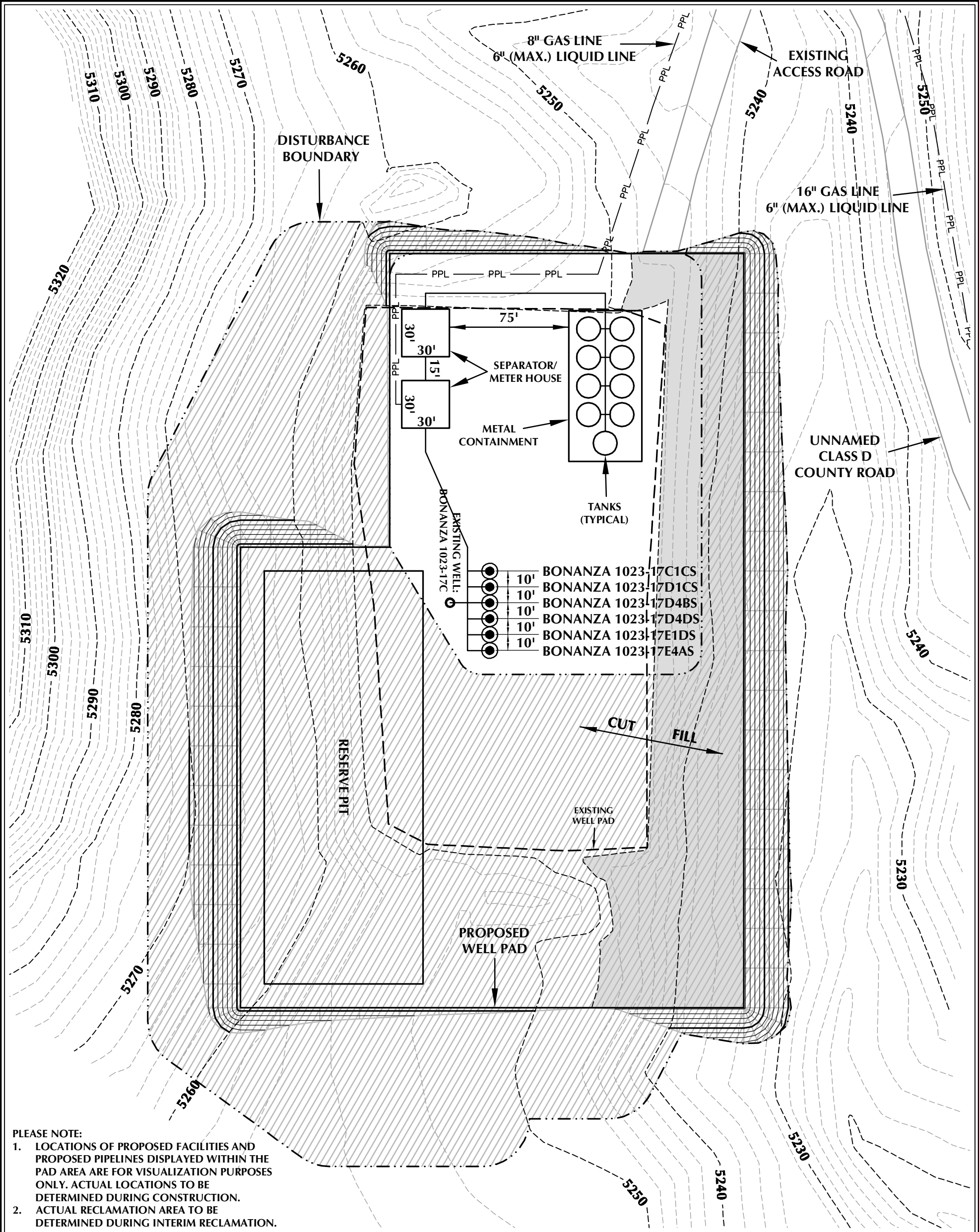
**SHEET NO:**

**9**

9 OF 18

**RECEIVED:** August 21, 2012





- PLEASE NOTE:
- LOCATIONS OF PROPOSED FACILITIES AND PROPOSED PIPELINES DISPLAYED WITHIN THE PAD AREA ARE FOR VISUALIZATION PURPOSES ONLY. ACTUAL LOCATIONS TO BE DETERMINED DURING CONSTRUCTION.
  - ACTUAL RECLAMATION AREA TO BE DETERMINED DURING INTERIM RECLAMATION.

WELL PAD - BONANZA 1023-17C4 DESIGN SUMMARY

TOTAL DISTURBANCE AREA = 4.95 ACRES (INCLUDING EXISTING)  
RECLAMATION AREA = 3.81 ACRES  
TOTAL WELL PAD AREA AFTER RECLAMATION = 1.14 ACRES

Kerr-McGee Oil & Gas Onshore, LP  
1099 18th Street - Denver, Colorado 80202

WELL PAD - BONANZA 1023-17C4

WELL PAD - RECLAMATION LAYOUT  
BONANZA 1023-17E4AS, BONANZA 1023-17E1DS,  
BONANZA 1023-17D4DS, BONANZA 1023-17D4BS,  
BONANZA 1023-17D1CS & BONANZA 1023-17C1CS  
LOCATED IN SECTION 17, T10S, R23E,  
S.L.B.&M., UINTAH COUNTY, UTAH



CONSULTING, LLC  
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TIMBERLINE  
ENGINEERING & LAND SURVEYING, INC.  
209 NORTH 300 WEST - VERNAL, UTAH 84078

(435) 789-1365

WELL PAD LEGEND

- EXISTING WELL LOCATION
- PROPOSED WELL LOCATION
- PROPOSED BOTTOM HOLE LOCATION
- EXISTING CONTOURS (2' INTERVAL)
- PROPOSED CONTOURS (2' INTERVAL)
- PPL - PROPOSED PIPELINE
- EPL - EXISTING PIPELINE
- RECLAMATION AREA



HORIZONTAL 0 30' 60' 1" = 60'  
2' CONTOURS

SCALE: 1"=60' DATE: 1/20/12 SHEET NO:

REVISED: 10 10 OF 18



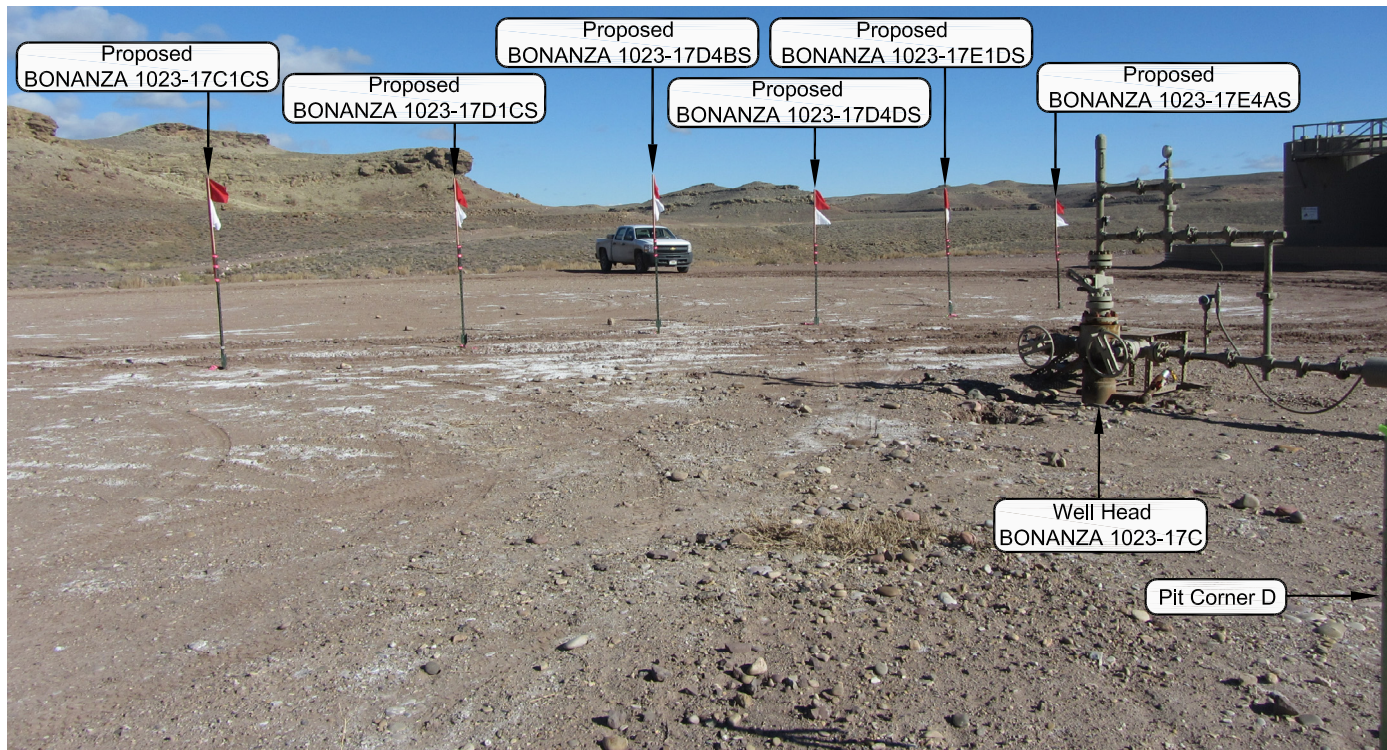


PHOTO VIEW: FROM PIT CORNER D TO LOCATION STAKE

CAMERA ANGLE: EASTERLY



PHOTO VIEW: FROM EXISTING ACCESS ROAD

CAMERA ANGLE: SOUTHEASTERLY

**Kerr-McGee Oil & Gas Onshore, LP**  
1099 18th Street - Denver, Colorado 80202

**WELL PAD - BONANZA 1023-17C4****LOCATION PHOTOS**

BONANZA 1023-17E4AS, BONANZA 1023-17E1DS,  
BONANZA 1023-17D4DS, BONANZA 1023-17D4BS,  
BONANZA 1023-17D1CS & BONANZA 1023-17C1CS  
LOCATED IN SECTION 17, T10S, R23E,  
S.L.B.&M., UTAH COUNTY, UTAH.



**CONSULTING, LLC**  
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Sheridan WY 82801  
Phone 307-674-0609  
Fax 307-674-0182

**TIMBERLINE**

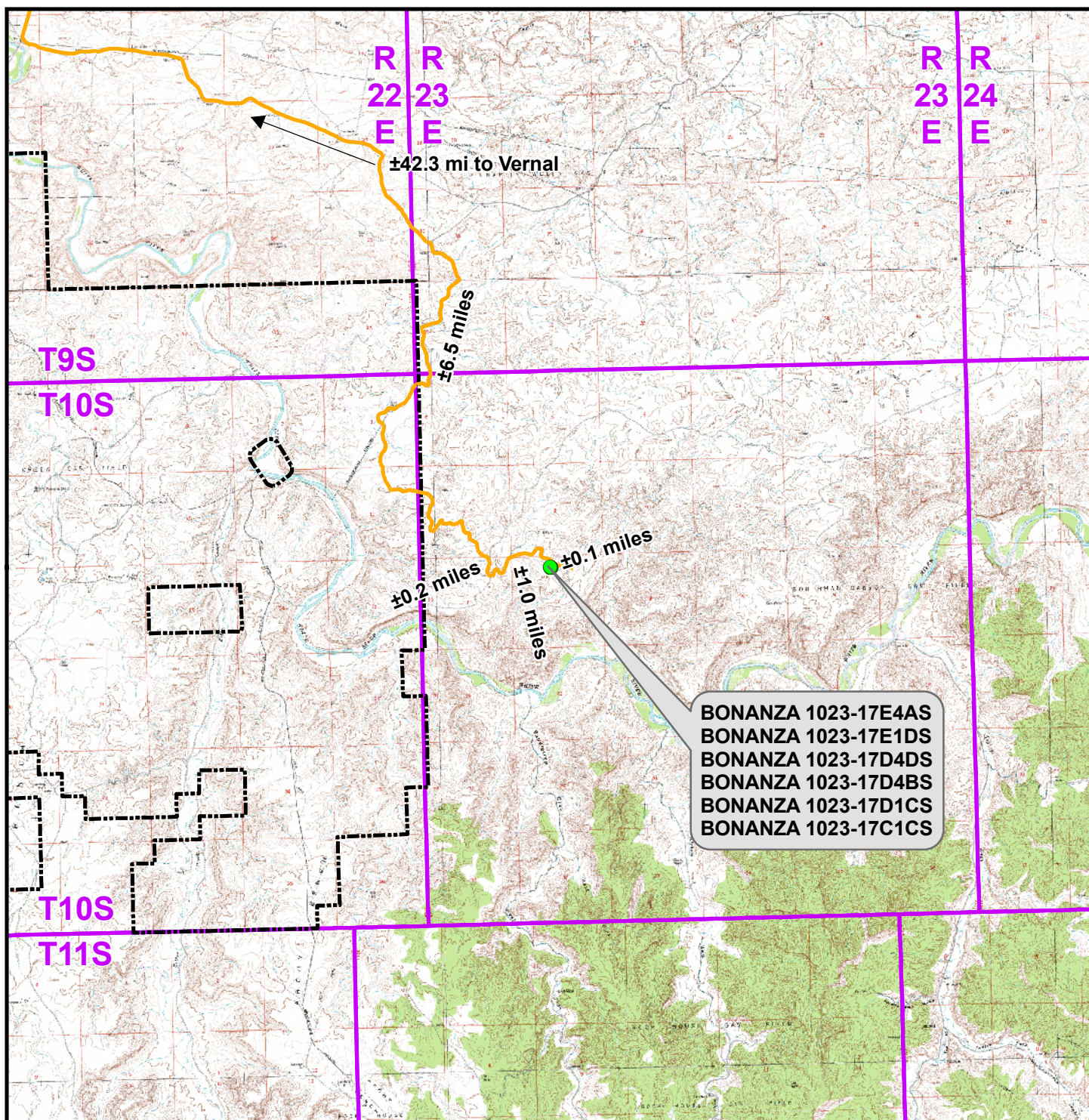
(435) 789-1365

ENGINEERING & LAND SURVEYING, INC.  
209 NORTH 300 WEST - VERNAL, UTAH 84078

DATE PHOTOS TAKEN: 10-12-11	PHOTOS TAKEN BY: W.W.	SHEET NO: <b>11</b> 11 OF 18
DATE DRAWN: 11-20-11	DRAWN BY: T.J.R.	
Date Last Revised:		

RECEIVED: August 21, 2012



**Legend**Distance From Well Pad - BONANZA 1023-17C4 To Unit Boundary:  $\pm 7,496$ ft

- Proposed Well Location      Natural Buttes Unit Boundary  
— Access Route - Proposed

**WELL PAD - BONANZA 1023-17C4**

**TOPO A**  
 BONANZA 1023-17E4AS, BONANZA 1023-17E1DS,  
 BONANZA 1023-17D4DS, BONANZA 1023-17D4BS,  
 BONANZA 1023-17D1CS & BONANZA 1023-17C1CS  
 LOCATED IN SECTION 17, T10S, R23E,  
 S.L.B.&M., UINTAH COUNTY, UTAH

**Kerr-McGee Oil &  
 Gas Onshore L.P.**

1099 18th Street  
 Denver, Colorado 80202



**CONSULTING, LLC**  
 2155 North Main Street  
 Sheridan, Wyoming 82801  
 Phone 307-674-0609  
 Fax 307-674-0182



SCALE: 1:100,000

NAD83 USP Central

SHEET NO:

DRAWN: TL

DATE: 30 Nov 2011

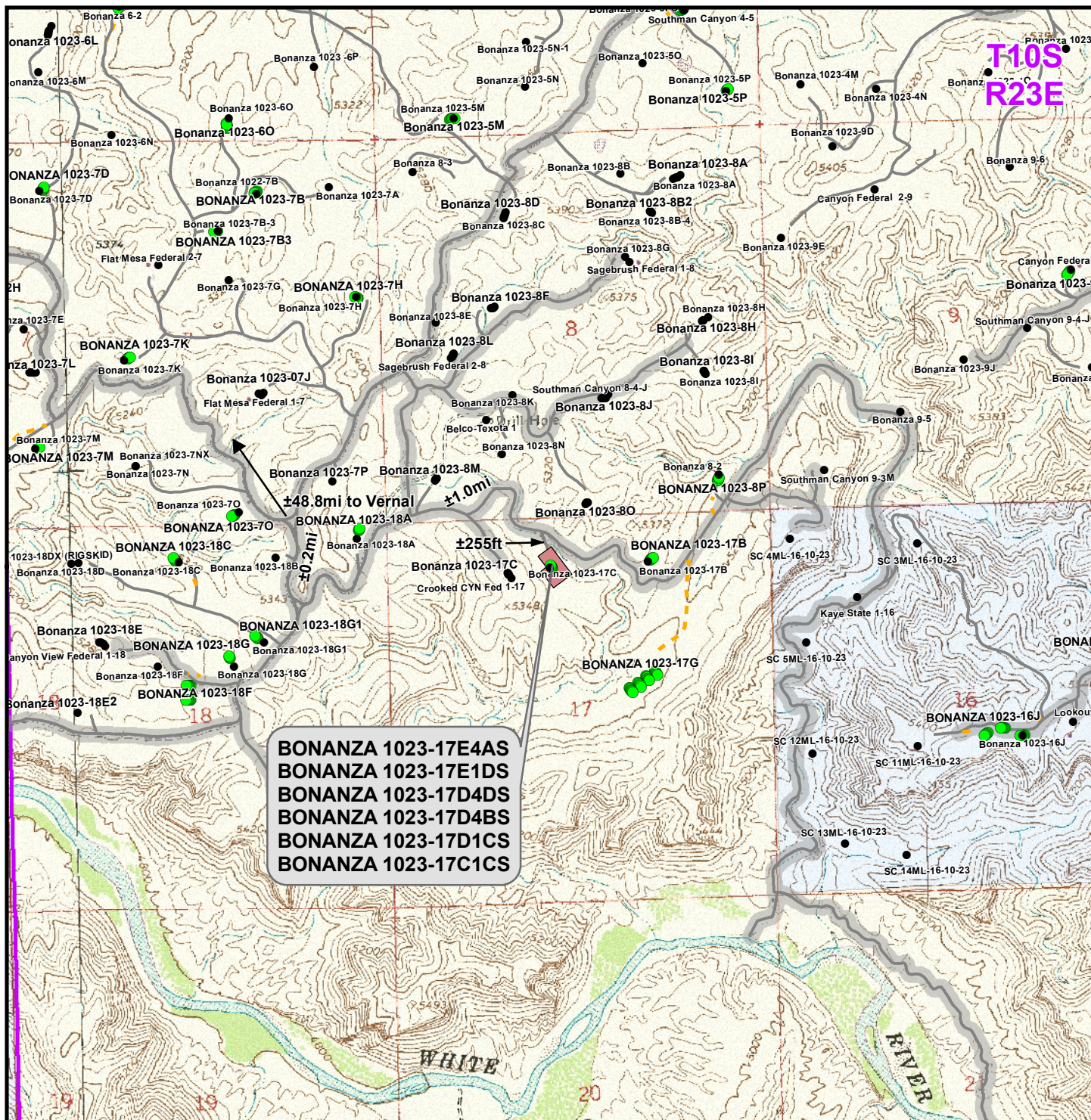
**12**

REVISED:

DATE:

12 OF 18



**Legend**

- |                   |            |                     |               |                             |           |
|-------------------|------------|---------------------|---------------|-----------------------------|-----------|
| ● Well - Proposed | ■ Well Pad | --- Road - Proposed | — County Road | ■ Bureau of Land Management | ■ State   |
| ● Well - Existing |            | — Road - Existing   |               | ■ Indian Reservation        | ■ Private |

Total Proposed Road Length: ±0ft

**WELL PAD - BONANZA 1023-17C4**

TOPO B  
 BONANZA 1023-17E4AS, BONANZA 1023-17E1DS,  
 BONANZA 1023-17D4DS, BONANZA 1023-17D4BS,  
 BONANZA 1023-17D1CS & BONANZA 1023-17C1CS  
 LOCATED IN SECTION 17, T10S, R23E,  
 S.L.B.&M., UINTAH COUNTY, UTAH

**Kerr-McGee Oil &  
 Gas Onshore L.P.**

1099 18th Street  
 Denver, Colorado 80202

**CONSULTING, LLC**

2155 North Main Street  
 Sheridan, Wyoming 82801  
 Phone 307-674-0609  
 Fax 307-674-0182



SCALE: 1" = 2,000ft

DRAWN: TL

REVISED: TL

NAD83 USP Central

DATE: 30 Nov 2011

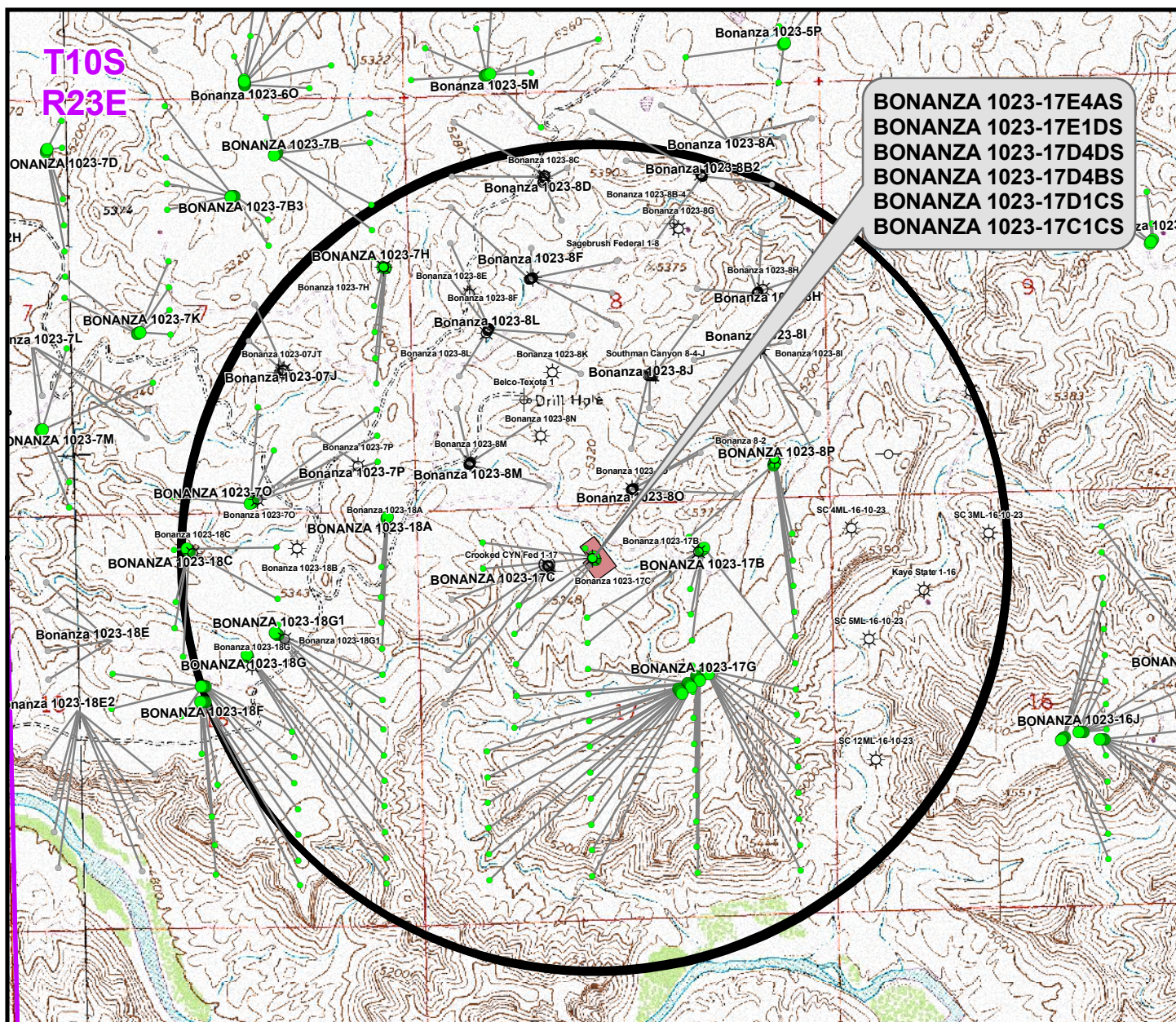
DATE: 20 Jan 2012

SHEET NO:

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Well locations derived from Utah Division of Oil, Gas and Mining (UDOGM) (oilgas.ogm.utah.gov). The estimated distances from proposed bore locations to the nearest existing bore locations are based on UDOGM data.

Proposed Well	Nearest Well Bore	Footage
BONANZA 1023-17E4AS	Bonanza 1023-17E3AS BH	867ft
BONANZA 1023-17E1DS	Bonanza 1023-17E2S BH	885ft
BONANZA 1023-17D4DS	Crooked CYN Fed 1-17	609ft
BONANZA 1023-17D4BS	Bonanza 1023-17D3S BH	562ft
BONANZA 1023-17D1CS	Bonanza 1023-17D3S BH	823ft
BONANZA 1023-17C1CS	Bonanza 1023-17C	171ft

### Legend

- Well - Proposed
- Bottom Hole - Proposed
- Bottom Hole - Existing
- Well Path
- Well Pad
- Well - 1 Mile Radius
- ☀ Producing
- ☺ Spudded
- APD Approved
- ⊗ Preliminary Location
- ⊕ Deferred
- ✕ Cancelled
- ⊖ Temporarily Abandoned
- ⚡ Active Injector
- ⊕ Plugged & Abandoned
- ⊗ Location Abandoned
- ⊖ Shut-In

### WELL PAD - BONANZA 1023-17C4

TOPO C  
BONANZA 1023-17E4AS, BONANZA 1023-17E1DS,  
BONANZA 1023-17D4DS, BONANZA 1023-17D4BS,  
BONANZA 1023-17D1CS & BONANZA 1023-17C1CS  
LOCATED IN SECTION 17, T10S, R23E,  
S.L.B.&M., Uintah County, UTAH

**Kerr-McGee Oil &  
Gas Onshore L.P.**

1099 18th Street  
Denver, Colorado 80202

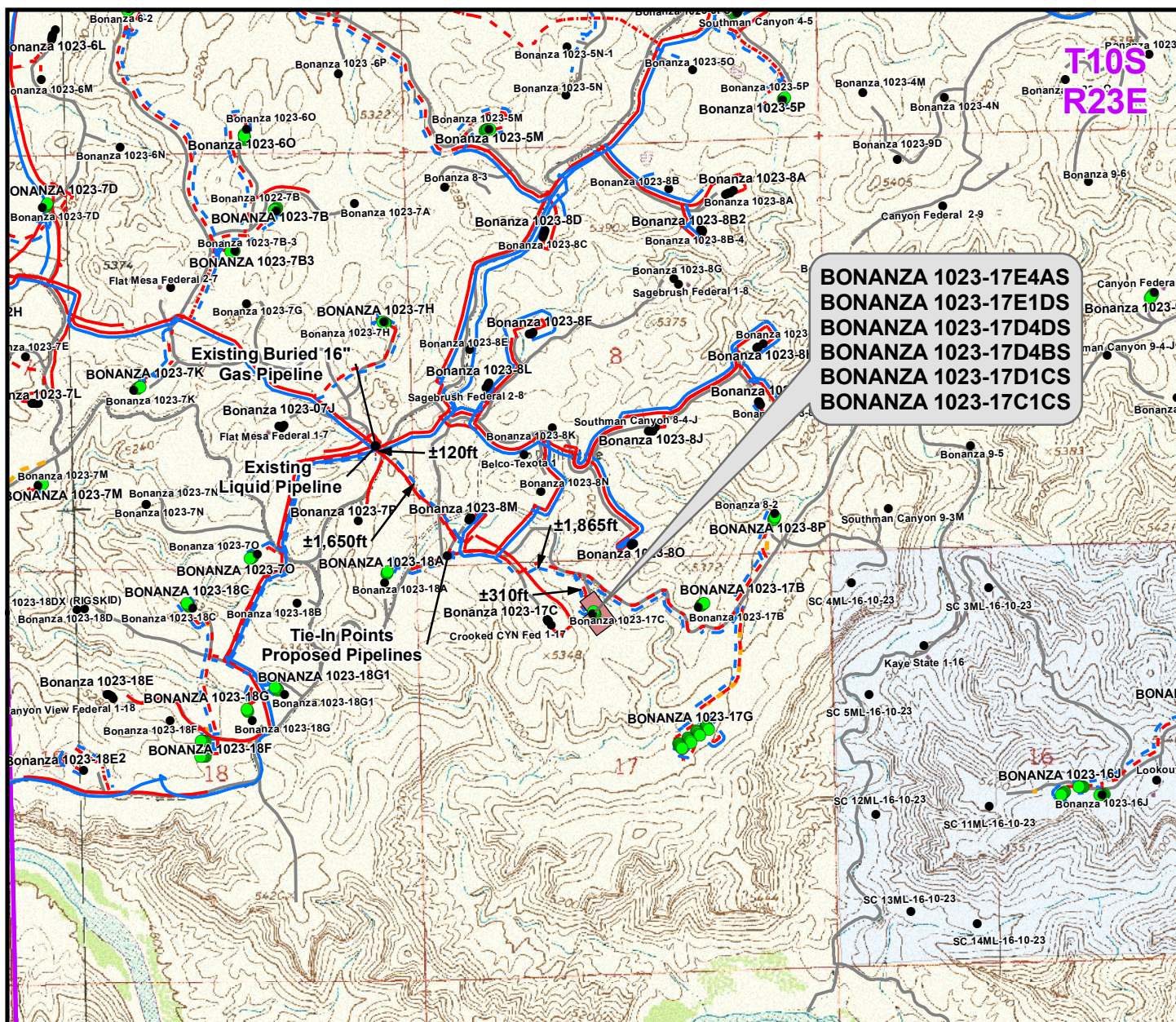


**CONSULTING, LLC**  
2155 North Main Street  
Sheridan, Wyoming 82801  
Phone 307-674-0609  
Fax 307-674-0182



SCALE: 1" = 2,000ft	NAD83 USP Central	SHEET NO:
DRAWN: TL	DATE: 20 Jan 2012	<b>14</b>
REVISED:	DATE:	14 OF 18





Proposed Liquid Pipeline	Length
Buried 6" (Max.) (Meter House to Edge of Pad)	±230ft
Buried 6" (Max.) (Edge of Pad to 17B Intersection)	±310ft
Buried 6" (Max.) (17B Intersection to 18A Intersection)	±1,865ft
<b>TOTAL PROPOSED BURIED LIQUID PIPELINE =</b>	<b>±2,405ft</b>

Proposed Gas Pipeline	Length
Buried 8" (Meter House to Edge of Pad)	±230ft
Buried 8" (Edge of Pad to 17B Intersection)	±310ft
Buried 16" (17B Intersection to 18A Intersection)	±1,865ft
<b>TOTAL PROPOSED BURIED GAS PIPELINE =</b>	<b>±2,405ft</b>

### Legend

● Well - Proposed	- - - Gas Pipeline - Proposed	- - - Liquid Pipeline - Proposed	- - - Road - Proposed	■ Bureau of Land Management	■ State
● Well - Existing	- - - Gas Pipeline - To Be Upgraded	- - - Liquid Pipeline - Existing	- - - Road - Existing	■ Indian Reservation	■ Private
■ Well Pad	- - - Gas Pipeline - Existing				

### WELL PAD - BONANZA 1023-17C4

**TOPO D**  
**BONANZA 1023-17E4AS, BONANZA 1023-17E1DS,  
 BONANZA 1023-17D4DS, BONANZA 1023-17D4BS,  
 BONANZA 1023-17D1CS & BONANZA 1023-17C1CS**  
 LOCATED IN SECTION 17, T10S, R23E,  
 S.L.B.&M., UINTAH COUNTY, UTAH

**Kerr-McGee Oil &  
 Gas Onshore L.P.**

**1099 18th Street  
 Denver, Colorado 80202**



**CONSULTING, LLC**

2155 North Main Street  
 Sheridan, Wyoming 82801  
 Phone 307-674-0609  
 Fax 307-674-0182

SCALE: 1" = 2,000ft

DRAWN: TL

REVISED:

NAD83 USP Central

DATE: 20 Jan 2012

DATE:

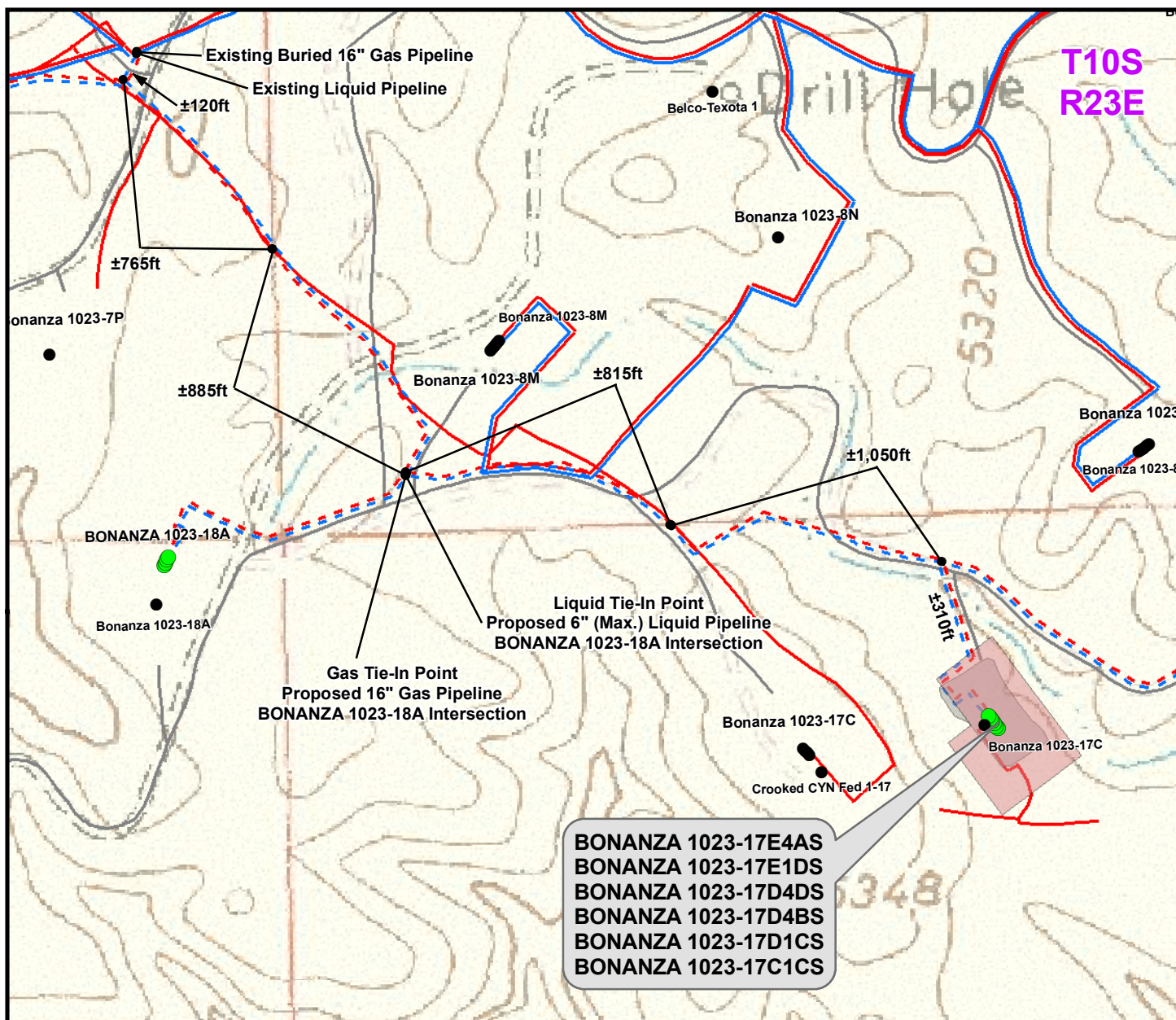
SHEET NO:

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RECEIVED: August 21, 2012





Proposed Liquid Pipeline		Length	Proposed Gas Pipeline		Length
Buried 6" (Max.)	(Meter House to Edge of Pad)	±230ft	Buried 8" (Max.)	(Meter House to Edge of Pad)	±230ft
Buried 6" (Max.)	(Edge of Pad to 17B Intersection)	±310ft	Buried 8" (Max.)	(Edge of Pad to 17B Intersection)	±310ft
Buried 6" (Max.)	(17B Intersection to 18A Intersection)	±1,865ft	Buried 16"	(17B Intersection to 18A Intersection)	±1,865ft
TOTAL PROPOSED BURIED LIQUID PIPELINE =		±2,405ft	TOTAL PROPOSED BURIED GAS PIPELINE =		±2,405ft

## Legend

● Well - Proposed	Well Pad - Proposed	Gas Pipeline - Proposed	Liquid Pipeline - Proposed	Road - Proposed	Bureau of Land Management
● Well - Existing	Well Pad - Existing	Gas Pipeline - To Be Upgraded	Liquid Pipeline - Existing	Road - Existing	Indian Reservation
		Gas Pipeline - Existing			State
					Private

## WELL PAD - BONANZA 1023-17C4

TOPO D2 (PAD & PIPELINE DETAIL)  
 BONANZA 1023-17E4AS, BONANZA 1023-17E1DS,  
 BONANZA 1023-17D4DS, BONANZA 1023-17D4BS,  
 BONANZA 1023-17D1CS & BONANZA 1023-17C1CS  
 LOCATED IN SECTION 17, T10S, R23E,  
 S.L.B.&M., UINTAH COUNTY, UTAH

**Kerr-McGee Oil &  
 Gas Onshore L.P.**

1099 18th Street  
 Denver, Colorado 80202



**CONSULTING, LLC**

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 Sheridan, Wyoming 82801  
 Phone 307-674-0609  
 Fax 307-674-0182

SCALE: 1" = 500ft

DRAWN: TL

REVISED: TL

NAD83 USP Central

DATE: 30 Nov 2011

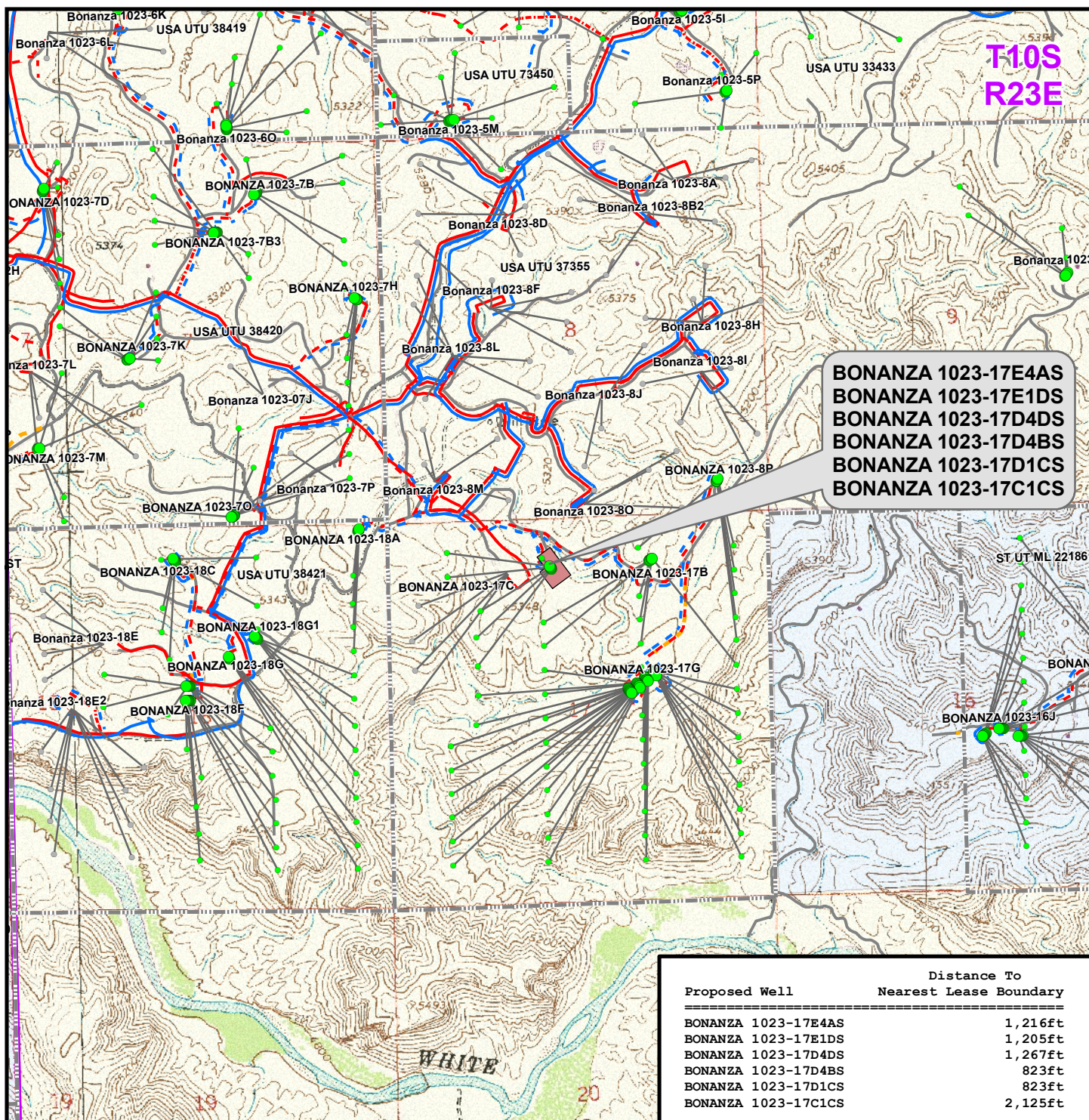
DATE: 20 Jan 2012

SHEET NO:

**16**

16 OF 18





### Legend

- Well - Proposed
- Bottom Hole - Proposed
- Bottom Hole - Existing
- Well Path
- Well Pad
- ▬ Lease Boundary
- Gas Pipeline - Proposed
- Gas Pipeline - To Be Upgraded
- Gas Pipeline - Existing
- Liquid Pipeline - Proposed
- Liquid Pipeline - Existing
- Road - Proposed
- Road - Existing
- Bureau of Land Management
- Indian Reservation
- State
- Private

### WELL PAD - BONANZA 1023-17C4

**TOPO E**  
**BONANZA 1023-17E4AS, BONANZA 1023-17E1DS,  
 BONANZA 1023-17D4DS, BONANZA 1023-17D4BS,  
 BONANZA 1023-17D1CS & BONANZA 1023-17C1CS**  
 LOCATED IN SECTION 17, T10S, R23E,  
 S.L.B.&M., UINTAH COUNTY, UTAH

**Kerr-McGee Oil &  
 Gas Onshore L.P.**

**1099 18th Street  
 Denver, Colorado 80202**



**CONSULTING, LLC**

2155 North Main Street  
 Sheridan, Wyoming 82801  
 Phone 307-674-0609  
 Fax 307-674-0182

SCALE: 1" = 2,000ft

DRAWN: TL

REVISED:

NAD83 USP Central

DATE: 20 Jan 2012

DATE:

SHEET NO:

**17**

17 OF 18



**Kerr-McGee Oil & Gas Onshore, LP  
WELL PAD – BONANZA 1023-17C4  
WELLS – BONANZA 1023-17E4AS, BONANZA 1023-17E1DS,  
BONANZA 1023-17D4DS, BONANZA 1023-17D4BS,  
BONANZA 1023-17D1CS & BONANZA 1023-17C1CS  
Section 17, T10S, R23E, S.L.B.&M.**

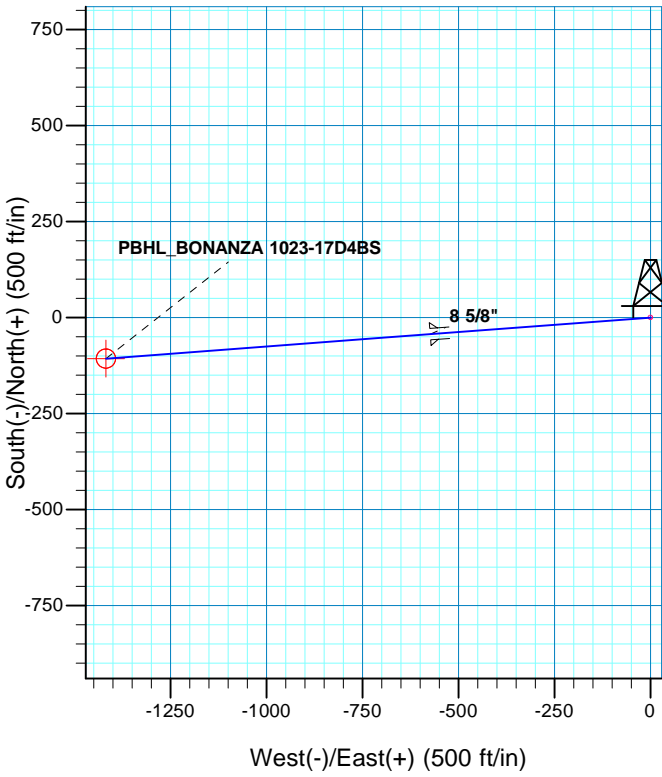
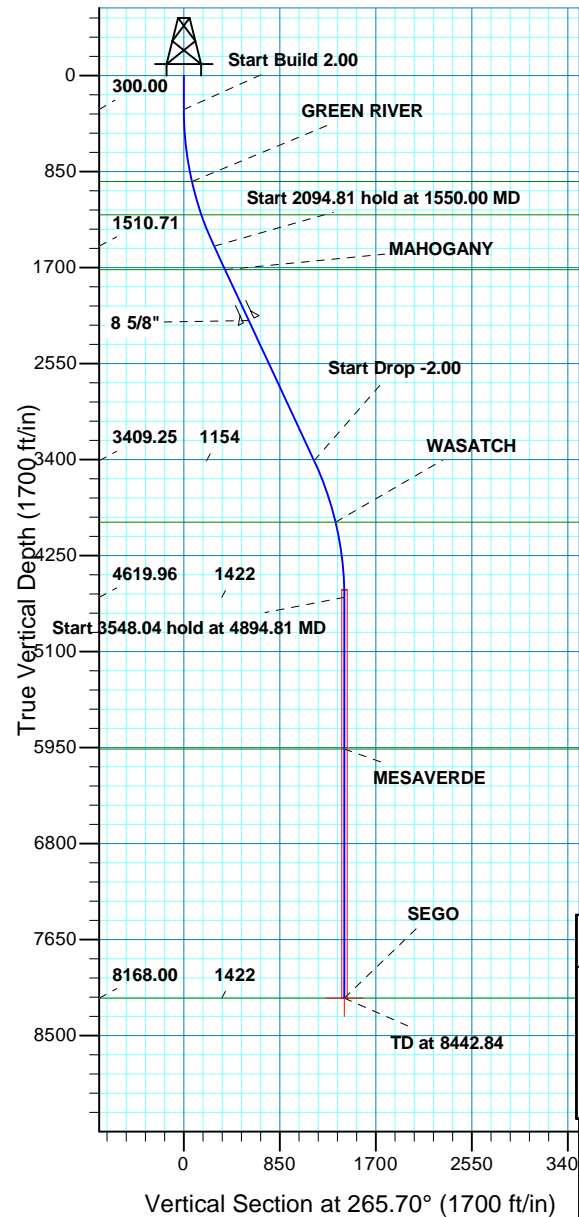
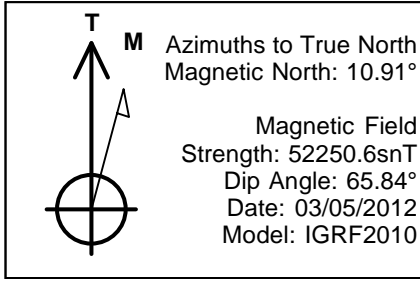
From the intersection of U.S. Highway 40 and 500 East Street in Vernal, Utah, proceed in an easterly, then southerly direction along U.S. Highway 40 approximately 3.3 miles to the junction of State Highway 45. Exit right and proceed in a southerly direction along State Highway 45 approximately 20.2 miles to the junction of the Glen Bench Road (County B Road 3260). Exit right and proceed in a southwesterly direction along the Glen Bench Road approximately 14.4 miles to the intersection of the Fidler Road (County B Road 3410) which road intersection is approximately 400 feet northeast of the Mountain Fuel Bridge at the White River. Exit left and proceed in a southeasterly direction along the Fidler Road approximately 4.4 miles to the intersection of the Seven Sisters Road (County B Road 3420). Exit right and proceed in a southeasterly, then southerly direction along the Seven Sisters Road approximately 6.5 miles to a Class D County Road to the south. Exit right and proceed in a southerly direction along the Class D County Road approximately 0.2 miles to a second Class D County Road to the northeast. Exit left and proceed in a northeasterly, then southeasterly, then northeasterly direction along the second Class D County Road approximately 1.0 miles to a service road to the southeast. Exit right and proceed in a southeasterly direction along the service road approximately 255 feet to the proposed well location.

Total distance from Vernal, Utah to the proposed well location is approximately 50.0 miles in a southerly direction.





WELL DETAILS: BONANZA 1023-17D4BS							
GL 5249 & KB 4 @ 5253.00ft (ASSUMED)							
	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	
	0.00	0.00	14513669.60	2102428.85	39.954292	-109.351439	
DESIGN TARGET DETAILS							
Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
PBHL	8168.00	-106.67	-1418.11	14513536.74	2101012.96	39.953999	-109.356498
- plan hits target center							
Shape							
Circle (Radius: 25.00)							



SECTION DETAILS									
	MD	Inc	Azi	TVD	+N-S	+E-W	Dleg	TFace	VSect
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00
	1550.00	25.00	265.70	1510.71	-20.13	-267.65	2.00	265.70	268.41
	3644.81	25.00	265.70	3409.25	-86.54	-1150.46	0.00	0.00	1153.71
	4894.81	0.00	0.00	4619.96	-106.67	-1418.11	2.00	180.00	1422.12
	8442.84	0.00	0.00	8168.00	-106.67	-1418.11	0.00	0.00	1422.12
	PBHL_BONANZA 1023-17D4BS								
PROJECT DETAILS: UTAH - UTM (feet), NAD27, Zone 12N							FORMATION TOP DETAILS		
							TVDPath	MDPath	Formation
Geodetic System: Universal Transverse Mercator (US Survey Feet) Datum: NAD 1927 (NADCON CONUS) Ellipsoid: Clarke 1866 Zone: Zone 12N (114 W to 108 W) Location: SECTION 17 T10N R23E System Datum: Mean Sea Level							937.00	942.37	GREEN RIVER
							1232.00	1249.28	BIRDSNEST
							1718.00	1778.72	MAHOGANY
							3953.00	4221.67	WASATCH
							5963.00	6237.84	MESAVERDE
							8167.99	8442.83	SEGO
CASING DETAILS									
				TVD	MD	Name	Size		
				2168.00	2275.24	8 5/8"	8.625		

PROJECT DETAILS: UTAH - UTM (feet), NAD27, Zone 12N	
Geodetic System: Universal Transverse Mercator (US Survey Feet)	
Datum: NAD 1927 (NADCON CONUS)	
Ellipsoid: Clarke 1866	
Zone: Zone 12N (114 W to 108 W)	
Location: SECTION 17 T10N R23E	
System Datum: Mean Sea Level	

FORMATION TOP DETAILS	
TVDPath	MDPath
937.00	942.37
1232.00	1249.28
1718.00	1778.72
3953.00	4221.67
5963.00	6237.84
8167.99	8442.83

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# **US ROCKIES REGION PLANNING**

**UTAH - UTM (feet), NAD27, Zone 12N**

**BONANZA 1023-17C4 PAD**

**BONANZA 1023-17D4BS**

**OH**

**Plan: PLAN #1 PRELIMINARY**

## **Standard Planning Report**

**05 March, 2012**







# SDI Planning Report



<b>Database:</b>	EDM5000-RobertS-Local	<b>Local Co-ordinate Reference:</b>	Well BONANZA 1023-17D4BS
<b>Company:</b>	US ROCKIES REGION PLANNING	<b>TVD Reference:</b>	GL 5249 & KB 4 @ 5253.00ft (ASSUMED)
<b>Project:</b>	UTAH - UTM (feet), NAD27, Zone 12N	<b>MD Reference:</b>	GL 5249 & KB 4 @ 5253.00ft (ASSUMED)
<b>Site:</b>	BONANZA 1023-17C4 PAD	<b>North Reference:</b>	True
<b>Well:</b>	BONANZA 1023-17D4BS	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OH		
<b>Design:</b>	PLAN #1 PRELIMINARY		

<b>Project</b>	UTAH - UTM (feet), NAD27, Zone 12N		
<b>Map System:</b>	Universal Transverse Mercator (US Survey Feet)	<b>System Datum:</b>	Mean Sea Level
<b>Geo Datum:</b>	NAD 1927 (NADCON CONUS)		
<b>Map Zone:</b>	Zone 12N (114 W to 108 W)		

<b>Site</b>	BONANZA 1023-17C4 PAD, SECTION 17 T10N R23E			
<b>Site Position:</b>		<b>Northing:</b>	14,513,645.53 usft	<b>Latitude:</b> 39.954225
<b>From:</b>	Lat/Long	<b>Easting:</b>	2,102,446.68 usft	<b>Longitude:</b> -109.351377
<b>Position Uncertainty:</b>	0.00 ft	<b>Slot Radius:</b>	13.200 in	<b>Grid Convergence:</b> 1.06 °

Well	BONANZA 1023-17D4BS, 723 FNL 2241 FWL					
Well Position	+N/-S	24.40 ft	Northing:	14,513,669.61 usft	Latitude:	39.954292
	+E/-W	-17.38 ft	Easting:	2,102,428.85 usft	Longitude:	-109.351439
Position Uncertainty		0.00 ft	Wellhead Elevation:		Ground Level:	5,249.00 ft

<b>Wellbore</b>	OH				
<b>Magnetics</b>	<b>Model Name</b>	<b>Sample Date</b>	<b>Declination (°)</b>	<b>Dip Angle (°)</b>	<b>Field Strength (nT)</b>
	IGRF2010	03/05/12	10.91	65.84	52,251

<b>Design</b>	PLAN #1 PRELIMINARY			
<b>Audit Notes:</b>				
<b>Version:</b>	<b>Phase:</b>	PLAN	<b>Tie On Depth:</b>	0.00
<b>Vertical Section:</b>	<b>Depth From (TVD) (ft)</b>	<b>+N/-S (ft)</b>	<b>+E/-W (ft)</b>	<b>Direction (°)</b>
	0.00	0.00	0.00	265.70

<b>Plan Sections</b>										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00	
1,550.00	25.00	265.70	1,510.71	-20.13	-267.65	2.00	2.00	0.00	265.70	
3,644.81	25.00	265.70	3,409.25	-86.54	-1,150.46	0.00	0.00	0.00	0.00	
4,894.81	0.00	0.00	4,619.96	-106.67	-1,418.11	2.00	-2.00	0.00	180.00	
8,442.84	0.00	0.00	8,168.00	-106.67	-1,418.11	0.00	0.00	0.00	0.00	PBHL_BONANZA 10;





# SDI Planning Report



<b>Database:</b>	EDM5000-RobertS-Local	<b>Local Co-ordinate Reference:</b>	Well BONANZA 1023-17D4BS
<b>Company:</b>	US ROCKIES REGION PLANNING	<b>TVD Reference:</b>	GL 5249 & KB 4 @ 5253.00ft (ASSUMED)
<b>Project:</b>	UTAH - UTM (feet), NAD27, Zone 12N	<b>MD Reference:</b>	GL 5249 & KB 4 @ 5253.00ft (ASSUMED)
<b>Site:</b>	BONANZA 1023-17C4 PAD	<b>North Reference:</b>	True
<b>Well:</b>	BONANZA 1023-17D4BS	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OH		
<b>Design:</b>	PLAN #1 PRELIMINARY		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Start Build 2.00</b>									
400.00	2.00	265.70	399.98	-0.13	-1.74	1.75	2.00	2.00	0.00
500.00	4.00	265.70	499.84	-0.52	-6.96	6.98	2.00	2.00	0.00
600.00	6.00	265.70	599.45	-1.18	-15.65	15.69	2.00	2.00	0.00
700.00	8.00	265.70	698.70	-2.09	-27.80	27.88	2.00	2.00	0.00
800.00	10.00	265.70	797.47	-3.26	-43.40	43.52	2.00	2.00	0.00
900.00	12.00	265.70	895.62	-4.70	-62.43	62.60	2.00	2.00	0.00
942.37	12.85	265.70	937.00	-5.38	-71.52	71.72	2.00	2.00	0.00
<b>GREEN RIVER</b>									
1,000.00	14.00	265.70	993.06	-6.38	-84.86	85.10	2.00	2.00	0.00
1,100.00	16.00	265.70	1,089.64	-8.32	-110.66	110.98	2.00	2.00	0.00
1,200.00	18.00	265.70	1,185.27	-10.52	-139.82	140.21	2.00	2.00	0.00
1,249.28	18.99	265.70	1,232.00	-11.69	-155.40	155.84	2.00	2.00	0.00
<b>BIRDSNEST</b>									
1,300.00	20.00	265.70	1,279.82	-12.96	-172.28	172.77	2.00	2.00	0.00
1,400.00	22.00	265.70	1,373.17	-15.65	-208.02	208.60	2.00	2.00	0.00
1,500.00	24.00	265.70	1,465.21	-18.58	-246.98	247.67	2.00	2.00	0.00
1,550.00	25.00	265.70	1,510.71	-20.13	-267.65	268.41	2.00	2.00	0.00
<b>Start 2094.81 hold at 1550.00 MD</b>									
1,600.00	25.00	265.70	1,556.03	-21.72	-288.72	289.54	0.00	0.00	0.00
1,700.00	25.00	265.70	1,646.66	-24.89	-330.87	331.80	0.00	0.00	0.00
1,778.72	25.00	265.70	1,718.00	-27.38	-364.04	365.07	0.00	0.00	0.00
<b>MAHOGANY</b>									
1,800.00	25.00	265.70	1,737.29	-28.06	-373.01	374.06	0.00	0.00	0.00
1,900.00	25.00	265.70	1,827.92	-31.23	-415.15	416.32	0.00	0.00	0.00
2,000.00	25.00	265.70	1,918.55	-34.40	-457.29	458.59	0.00	0.00	0.00
2,100.00	25.00	265.70	2,009.18	-37.57	-499.44	500.85	0.00	0.00	0.00
2,200.00	25.00	265.70	2,099.81	-40.74	-541.58	543.11	0.00	0.00	0.00
2,275.24	25.00	265.70	2,168.00	-43.12	-573.29	574.91	0.00	0.00	0.00
<b>8 5/8"</b>									
2,300.00	25.00	265.70	2,190.44	-43.91	-583.72	585.37	0.00	0.00	0.00
2,400.00	25.00	265.70	2,281.07	-47.08	-625.87	627.63	0.00	0.00	0.00
2,500.00	25.00	265.70	2,371.70	-50.25	-668.01	669.90	0.00	0.00	0.00
2,600.00	25.00	265.70	2,462.34	-53.42	-710.15	712.16	0.00	0.00	0.00
2,700.00	25.00	265.70	2,552.97	-56.59	-752.29	754.42	0.00	0.00	0.00
2,800.00	25.00	265.70	2,643.60	-59.76	-794.44	796.68	0.00	0.00	0.00
2,900.00	25.00	265.70	2,734.23	-62.93	-836.58	838.94	0.00	0.00	0.00
3,000.00	25.00	265.70	2,824.86	-66.10	-878.72	881.20	0.00	0.00	0.00
3,100.00	25.00	265.70	2,915.49	-69.27	-920.87	923.47	0.00	0.00	0.00
3,200.00	25.00	265.70	3,006.12	-72.44	-963.01	965.73	0.00	0.00	0.00
3,300.00	25.00	265.70	3,096.75	-75.61	-1,005.15	1,007.99	0.00	0.00	0.00
3,400.00	25.00	265.70	3,187.38	-78.78	-1,047.29	1,050.25	0.00	0.00	0.00
3,500.00	25.00	265.70	3,278.01	-81.95	-1,089.44	1,092.51	0.00	0.00	0.00
3,600.00	25.00	265.70	3,368.64	-85.12	-1,131.58	1,134.78	0.00	0.00	0.00
3,644.81	25.00	265.70	3,409.25	-86.54	-1,150.46	1,153.71	0.00	0.00	0.00
<b>Start Drop -2.00</b>									
3,700.00	23.90	265.70	3,459.50	-88.25	-1,173.24	1,176.55	2.00	-2.00	0.00
3,800.00	21.90	265.70	3,551.61	-91.17	-1,212.03	1,215.46	2.00	-2.00	0.00
3,900.00	19.90	265.70	3,645.03	-93.85	-1,247.60	1,251.12	2.00	-2.00	0.00





**SDI**  
Planning Report



<b>Database:</b>	EDM5000-RobertS-Local	<b>Local Co-ordinate Reference:</b>	Well BONANZA 1023-17D4BS
<b>Company:</b>	US ROCKIES REGION PLANNING	<b>TVD Reference:</b>	GL 5249 & KB 4 @ 5253.00ft (ASSUMED)
<b>Project:</b>	UTAH - UTM (feet), NAD27, Zone 12N	<b>MD Reference:</b>	GL 5249 & KB 4 @ 5253.00ft (ASSUMED)
<b>Site:</b>	BONANZA 1023-17C4 PAD	<b>North Reference:</b>	True
<b>Well:</b>	BONANZA 1023-17D4BS	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OH		
<b>Design:</b>	PLAN #1 PRELIMINARY		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
4,000.00	17.90	265.70	3,739.64	-96.28	-1,279.89	1,283.51	2.00	-2.00	0.00
4,100.00	15.90	265.70	3,835.31	-98.46	-1,308.87	1,312.57	2.00	-2.00	0.00
4,200.00	13.90	265.70	3,931.95	-100.39	-1,334.51	1,338.28	2.00	-2.00	0.00
4,221.67	13.46	265.70	3,953.00	-100.77	-1,339.61	1,343.40	2.00	-2.00	0.00
<b>WASATCH</b>									
4,300.00	11.90	265.70	4,029.42	-102.06	-1,356.76	1,360.59	2.00	-2.00	0.00
4,400.00	9.90	265.70	4,127.61	-103.48	-1,375.61	1,379.49	2.00	-2.00	0.00
4,500.00	7.90	265.70	4,226.41	-104.64	-1,391.03	1,394.96	2.00	-2.00	0.00
4,600.00	5.90	265.70	4,325.68	-105.54	-1,403.00	1,406.96	2.00	-2.00	0.00
4,700.00	3.90	265.70	4,425.31	-106.18	-1,411.51	1,415.50	2.00	-2.00	0.00
4,800.00	1.90	265.70	4,525.17	-106.56	-1,416.55	1,420.55	2.00	-2.00	0.00
4,894.81	0.00	0.00	4,619.96	-106.67	-1,418.11	1,422.12	2.00	-2.00	0.00
<b>Start 3548.04 hold at 4894.81 MD</b>									
4,900.00	0.00	0.00	4,625.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
5,000.00	0.00	0.00	4,725.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
5,100.00	0.00	0.00	4,825.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
5,200.00	0.00	0.00	4,925.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
5,300.00	0.00	0.00	5,025.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
5,400.00	0.00	0.00	5,125.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
5,500.00	0.00	0.00	5,225.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
5,600.00	0.00	0.00	5,325.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
5,700.00	0.00	0.00	5,425.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
5,800.00	0.00	0.00	5,525.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
5,900.00	0.00	0.00	5,625.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
6,000.00	0.00	0.00	5,725.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
6,100.00	0.00	0.00	5,825.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
6,200.00	0.00	0.00	5,925.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
6,237.84	0.00	0.00	5,963.00	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
<b>MESAVERDE</b>									
6,300.00	0.00	0.00	6,025.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
6,400.00	0.00	0.00	6,125.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
6,500.00	0.00	0.00	6,225.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
6,600.00	0.00	0.00	6,325.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
6,700.00	0.00	0.00	6,425.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
6,800.00	0.00	0.00	6,525.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
6,900.00	0.00	0.00	6,625.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
7,000.00	0.00	0.00	6,725.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
7,100.00	0.00	0.00	6,825.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
7,200.00	0.00	0.00	6,925.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
7,300.00	0.00	0.00	7,025.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
7,400.00	0.00	0.00	7,125.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
7,500.00	0.00	0.00	7,225.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
7,600.00	0.00	0.00	7,325.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
7,700.00	0.00	0.00	7,425.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
7,800.00	0.00	0.00	7,525.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
7,900.00	0.00	0.00	7,625.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
8,000.00	0.00	0.00	7,725.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
8,100.00	0.00	0.00	7,825.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
8,200.00	0.00	0.00	7,925.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
8,300.00	0.00	0.00	8,025.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
8,400.00	0.00	0.00	8,125.16	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
8,442.83	0.00	0.00	8,167.99	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
<b>SEGO</b>									





<b>Database:</b>	EDM5000-RobertS-Local	<b>Local Co-ordinate Reference:</b>	Well BONANZA 1023-17D4BS
<b>Company:</b>	US ROCKIES REGION PLANNING	<b>TVD Reference:</b>	GL 5249 & KB 4 @ 5253.00ft (ASSUMED)
<b>Project:</b>	UTAH - UTM (feet), NAD27, Zone 12N	<b>MD Reference:</b>	GL 5249 & KB 4 @ 5253.00ft (ASSUMED)
<b>Site:</b>	BONANZA 1023-17C4 PAD	<b>North Reference:</b>	True
<b>Well:</b>	BONANZA 1023-17D4BS	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OH		
<b>Design:</b>	PLAN #1 PRELIMINARY		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
8,442.84	0.00	0.00	8,168.00	-106.67	-1,418.11	1,422.12	0.00	0.00	0.00
TD at 8442.84 - PBHL_BONANZA 1023-17D4BS									

Design Targets									
Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (usft)	Easting (usft)	Latitude	Longitude
PBHL_BONANZA 1023- - plan hits target center - Circle (radius 25.00)	0.00	0.00	8,168.00	-106.67	-1,418.11	14,513,536.74	2,101,012.95	39.953999	-109.356498

Casing Points					
Measured Depth (ft)	Vertical Depth (ft)	Name	Casing Diameter (in)	Hole Diameter (in)	
2,275.24	2,168.00	8 5/8"	8.625	11.000	

Formations						
Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)	
942.37	937.00	GREEN RIVER				
1,249.28	1,232.00	BIRDSNEST				
1,778.72	1,718.00	MAHOGANY				
4,221.67	3,953.00	WASATCH				
6,237.84	5,963.00	MESAVERDE				
8,442.83	8,167.99	SEGO		0.00		

Plan Annotations				
Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment
		+N/-S (ft)	+E/-W (ft)	
300.00	300.00	0.00	0.00	Start Build 2.00
1,550.00	1,510.71	-20.13	-267.65	Start 2094.81 hold at 1550.00 MD
3,644.81	3,409.25	-86.54	-1,150.46	Start Drop -2.00
4,894.81	4,619.96	-106.67	-1,418.11	Start 3548.04 hold at 4894.81 MD
8,442.84	8,168.00	-106.67	-1,418.11	TD at 8442.84



**Kerr-McGee Oil & Gas Onshore. L.P.****BONANZA 1023-17C4 PAD**

<b><u>API #</u></b>	<b><u>BONANZA1023-17C1CS</u></b>		
	Surface: 707 FNL / 2230 FWL	NENW	Lot
	BHL: 595 FNL / 2125 FWL	NENW	Lot
<b><u>API #</u></b>	<b><u>BONANZA1023-17D1CS</u></b>		
	Surface: 715 FNL / 2235 FWL	NENW	Lot
	BHL: 494 FNL / 823 FWL	NWNW	Lot
<b><u>API #</u></b>	<b><u>BONANZA1023-17D4BS</u></b>		
	Surface: 723 FNL / 2241 FWL	NENW	Lot
	BHL: 822 FNL / 823 FWL	NWNW	Lot
<b><u>API #</u></b>	<b><u>BONANZA1023-17D4DS</u></b>		
	Surface: 732 FNL / 2247 FWL	NENW	Lot
	BHL: 1304 FNL / 1267 FWL	NWNW	Lot
<b><u>API #</u></b>	<b><u>BONANZA1023-17E1DS</u></b>		
	Surface: 740 FNL / 2253 FWL	NENW	Lot
	BHL: 1673 FNL / 1205 FWL	SWNW	Lot
<b><u>API #</u></b>	<b><u>BONANZA1023-17E4AS</u></b>		
	Surface: 748 FNL / 2259 FWL	NENW	Lot
	BHL: 2057 FNL / 1216 FWL	SWNW	Lot

This Surface Use Plan of Operations (SUPO) or 13-point plan provides site-specific information for the above-referenced wells.

In accordance with Utah Oil & Gas Conservation Rule R649-3-11 pertaining to Directional Drilling, these wells will be directionally drilled. Refer to Topo Map A for directions to the location and Topo Maps A and B for location of access roads within a 2-mile radius.

An on-site meeting was held on December 14, 2011. Present were:

- David Gordon, Tyler Cox, Dan Emmett, Melissa Wardle - BLM;
- Jacob Dunham - 609 Consulting;
- John Slaugh, Mitch Batty - Timberline Engineering & Land Surveying, Inc.; and
- Danielle Piernot, Doyle Holmes, Grizz Oleen, Sheila Wopsock - Kerr-McGee

**A. Existing Roads:**

Existing roads consist of county and improved/unimproved access roads (two-tracks). In accordance with Onshore Order #1, Kerr-McGee will, in accordance with BMPs, improve or maintain existing roads in a condition that is the same as or better than before operations began. New or reconstructed proposed access roads are discussed in Section B.

The existing roads will be maintained in a safe and usable condition. Maintenance for existing roads will continue until final abandonment and reclamation of well pads and/or other facilities, as applicable. Road maintenance will include, but is not limited to, blading, ditching, and/or culvert installation and cleanout. To ensure safe operating conditions, gravel surfacing will be performed where excessive rutting or erosion may occur. Dust control will be performed as necessary to ensure safe operating conditions.



Roads, gathering lines and electrical distribution lines will occupy common disturbance corridors where possible. Where available, roadways will be used as the staging area and working space for installation of gathering lines. All disturbances located in the same corridor will overlap each other to the maximum extent possible, while maintaining safe and sound construction and installation practices. Unless otherwise approved or requested in site specific documents, in no case will the maximum disturbance widths of the access road and utility corridors exceed the widths specified in Part D of this document.

Please refer to Topo B, for existing roads.

#### **B. New or Reconstructed Access Roads:**

All new or reconstructed roads will be located, designed, and maintained to meet the standards of the BLM. BMPs. Described in the BLM's Surface Operating Standards for Oil and Gas Exploration and Development, 4th Edition (Gold Book) (USDI and USDA, 2007) and/or BLM Manual Section 9113 (1985) will be considered in consultation with the BLM in the design, construction, improvement and maintenance of all new or reconstructed roads. If a new road would cross a water of the United States, Kerr-McGee will adhere to the requirements of applicable Nationwide Permits of the Department of Army Corps of Engineers.

Each new well pad or pad expansion may require construction of a new access road and/or de-commissioning of an older road. Plans, routes, and distances for new roads and road improvements are provided in design packages, exhibits and maps for a project. Project-specific maps are submitted to depict the locations of existing, proposed, and/or decommissioned and include the locations for supporting structures, including, but not limited to, culverts, bridges, low water crossings, range infrastructure, and haul routes, as per OSO 1. Designs for cuts and fills, including spoils source and storage areas, are provided with the road designs, as necessary.

Where safety objectives can be met. As applicable, Kerr-McGee may use unimproved and/or two-track roads for lease operations, to lessen total disturbance.

Road designs will be based on the road safety requirements, traffic characteristics, environmental conditions, and the vehicles the road is intended to carry. Generally, newly constructed unpaved lease roads will be crowned and ditched with the running surfaces of the roads approximately 12-18 feet wide and a total road corridor width not to exceed 45 feet, except where noted in the road design for a specific project. Maximum grade will generally not exceed 8%. Borrow ditches will be back sloped 3:1 or less. Construction BMPs will be employed to control onsite and offsite erosion.

Where topography would direct storm water runoff to an access road or well pad, drainage ditches or other common drainage control facilities, such as V- or wing-ditches, will be constructed to divert surface water runoff. Drainage features, including culverts, will be constructed or installed prior to commencing other operations, including drilling or facilities placement. Riprap will be placed at the inlet and outlet at the culvert(s), as necessary.

Prior to construction, new access road(s) will be staked according to the requirements of OSO 1. Construction activity will not be conducted using frozen or saturated materials or during periods when significant watershed damage (e.g. rutting, extensive sheet soil erosion, formation of rills/gullies, etc.) is likely to occur. Vegetative debris will not be placed in or under fill embankments.

New road maintenance will include, but is not limited to, blading, ditching, culvert installation and cleanout, gravel surfacing where excessive rutting or erosion may occur and dust control, as necessary to ensure safe operating conditions. All vehicular traffic, personnel movement, construction/restoration operations will be confined to the approved area and to existing roadways and/or access routes.



Snow removal will be conducted on an as-needed basis to accommodate safe travel. Snow removal will occur as necessary throughout the year, as will necessary drainage ditch construction. Removed snow may be stored on permitted well pads to reduce hauling distances and/or at the aerial extent of approved disturbance boundaries to facilitate snow removal for the remainder of the season.

If a county road crossing or encroachment permit is needed, it will be obtained prior to construction.

**There are no new proposed access roads associated with this pad. Please refer to Topo B.**

**C. Location of Existing Wells:**

A) Refer to Topo Map C.

**D. Location of Existing and/or Proposed Facilities:**

This pad will expand the existing pad for the Bonanza 1023-17C, which is a producing gas well according to Utah Division of Oil, Gas and Mining (UDOGM) records on April 25, 2012. Gathering (pipeline) infrastructure will be utilized to collect and transport gas and fluids from the wells which are owned and operated by Kerr McGee Oil and Gas Onshore LP (Kerr-McGee).

Should the well(s) prove productive, production facilities will be installed on the disturbed portion of each well pad. A berm will be constructed completely around production components (typically excluding dehy's and/or separators) that contain fluids (i.e. production tanks, produced liquids tanks). The berms will generally be constructed of compacted subsoil or corrugated metal, and will hold the capacity of the largest tank and have sufficient freeboard to accommodate a 25 year rainfall event. This includes pumping units. Aboveground structures constructed or installed onsite for 6 months or longer, will be painted a flat, non-reflective, earth-tone color chosen at the onsite in coordination with the BLM (typically Shadow Gray). A production facility layout is provided as part of a project-specific APD, ROW or NOS submission.

**GAS GATHERING**

*Please refer to Exhibit A and Topo D2- Pad and Pipeline Detail.*

The gas gathering pipeline material: Steel line pipe. Surface = Bare pipe. Buried = Coated with fusion bonded epoxy coating (or equivalent). The total buried gas gathering pipeline distance from the meter to the tie in point is  $\pm 540'$ . The individual segments are broken up as follows:

**The following segments are "onlease", no ROW needed.**

$\pm 230'$  (0.04 miles) – Section 17 T10S R23E (NE/4 NW/4) – On-lease UTU-37355, BLM surface, New 8" buried gas gathering pipeline from the meter to the edge of the pad.  
Please refer to Topo D2 - Pad and Pipeline Detail.

$\pm 310'$  (0.06 miles) – Section 17 T10S R23E (NE/4 NW/4) – On-lease UTU-37355, BLM surface, New 8" buried gas gathering pipeline from the edge of the pad to a previously proposed 16" buried gas pipeline filed under separate cover by AUM.  
Please refer to Topo D2 - Pad and Pipeline Detail and Exhibit A line 1.

**LIQUID GATHERING**

*Please refer to Exhibit B and Topo D2- Pad and Pipeline Detail.*

The total liquid gathering pipeline distance from the separator to the tie in point is  $\pm 540'$  and the individual segments are broken up as follows:



**The following segments are "onlease", no ROW needed.**

- ±230' (0.04 miles) – Section 17 T10S R23E (NE/4 NW/4) – On-lease UTU-37355, BLM surface, New 6" buried liquid gathering pipeline from the separator to the edge of the pad. Please refer to Topo D2 - Pad and Pipeline Detail.
- ±310' (0.06 miles) – Section 17 T10S R23E (NE/4 NW/4) – On-lease UTU-37355, BLM surface, New 6" buried liquid gathering pipeline from the edge of the pad to a previously proposed 6" buried main gathering liquid pipeline filed under separate cover by KMOG. Please refer to Topo D2 - Pad and Pipeline Detail and Exhibit B line 1.

#### **Pipeline Gathering Construction**

Gathering (pipeline) infrastructure will be utilized to collect and transport gas and fluids from the wells which are owned and operated by Kerr McGee. Gas gathering pipeline(s), gas lift, or liquids pipelines may be constructed to lie on the surface or be buried. Where the pipeline is adjacent to the road or well pad, the road and/or well pad will be utilized for construction activities and staging. The area of disturbance during construction from the edge of road or well pad will typically be 30' in width. Where pipelines run cross country, the width of disturbance will typically be 45 ft for buried lines and 30 ft for surface lines. In addition, Kerr-McGee requests for a permanent 30' disturbance width that will be maintained for the portion adjacent to the road. The need for the 30' permanent disturbance width is for maintenance and repairs. Cross country permanent disturbance width also are required to be 30ft.

Above-ground installation will generally not require clearing of vegetation or blading of the surface, except where safety considerations necessitate earthwork. In some surface pipeline installation instances pipe cannot be constructed where it will lay. In these cases where an above-ground pipeline is constructed parallel and adjacent to a road, it will be welded/fused on the road and then lifted from the road to the pipeline route. In other cases where a pipeline route is not parallel and adjacent to a road (cross-country between sites), it will be welded/fused in place at a well pad, access road, or designated work area and pulled between connection locations with a suitable piece of equipment.

Buried pipelines will generally be installed parallel and adjacent to existing and/or newly constructed roads and within the permitted disturbance corridor. Buried pipelines may vary from 2 inches (typically fuel gas lines) to 24 inches (typically transportation lines) in diameter, but 6 to 16 inches is typical for a buried gas line. The diameter of liquids pipelines may vary from 2 inches to 12 inches, but 6 inches is the typical diameter. Gas lift lines may vary from 2 to 12 inches in diameter, but 6-inch diameter pipes are generally used for gas lift. If two or more pipelines are present (gas gathering, gas lift, and fluids), they will share a common trench where possible.

Typically, to install a buried pipeline, topsoil will be removed, windrowed and placed on the non-working side of the route for later reclamation. Because working room is limited, the spoil may be spread out across the working side and construction will take place on the spoil. The working side of the corridor will be used for pipe stringing, bending, welding and equipment travel. Small areas on the working side displaying ruts or uneven ground will be groomed to facilitate the safe passage of equipment. After the pipelines are installed, spoil will be placed back into the trench, and the topsoil will be redistributed over the disturbed corridor prior to final reclamation. Typical depth of the trench will be 6 feet, but depths may vary according to site-specific conditions (presence of bedrock, etc.). The proposed trench width for the pipeline would range from 18-48 inches.

The pipeline will be welded along the proposed route and lowered into place. Trenching equipment will cut through the soil or into the bedrock and create good backfill, eliminating the need to remove large rocks. The proposed buried pipeline will be visually and radiographically inspected and the entire pipeline will be pneumatically or hydrostatically tested before being placed into service. Routine vehicle traffic will be prevented from using pipeline routes as travel ways by posting signs at the route's intersection with an access road.

The liquid gathering lines will be made of polyethylene or a composite polyethylene/steel or polyethylene/fiberglass that is not subject to internal or external pipe corrosion. The content of the produced fluids to be transferred by the liquid gathering system will be approximately 92% produced water and 8% condensate. Trunk line valve connections for the water gathering system will be below ground but accessible from the surface in order to prevent freezing during winter time.



If pipelines or roads encounter a drainage that could be subject to flooding or surface water during extreme precipitation events, Kerr-McGee will apply all applicable Army Corps mandates as well as the BLM's Hydraulic Considerations for Pipeline Crossings of Stream Channels (BLM Technical Note 423, April 2007). In addition, all stream and drainage crossings will be evaluated to determine the need for stream alteration permits from the State of Utah Division of Water Rights and if necessary, required permits will be secured. Similarly, where a road or pipeline crossing exists the pipe will be butt welded and buried to a depth between 24 and 48 inches or more. Dirt roads will be cut and restored to a condition equivalent to the existing condition. All Uintah County road encroachment and crossing permits, where applicable, will be obtained prior to crossing construction. In no case will pressure testing of pipelines result in discharge of liquids to the surface.

Pipeline signs will be installed along the route to indicate the pipeline proximity, ownership, and to provide emergency contact phone numbers. Above ground valves and lateral T's will be installed at various locations for production integrity and safety purposes.

Upon completion of the proposed buried pipeline, the entire area of disturbance will be reclaimed to the standards proposed in the Green River District Reclamation Guidelines. Please refer to section J for more details regarding final reclamation.

When no longer deemed necessary by the operator, Kerr-McGee or it's successor will consult with the BLM, Vernal Field Office before terminating of the use of the pipeline(s).

**The Anadarko Completions Transportation System (ACTS) information:**

Please refer to Exhibit C for ACTs Lines

Kerr-McGee will use either a closed loop drilling system that will require one pit and one storage area to be constructed on the drilling pad or a traditional drilling operation with one pit. The storage area will be used to contain only the de-watered drill cuttings and will be lined and reclaimed according to traditional pit closure standards. The pit will be constructed to allow for completion operations. The completion operations pit is lined and will be used for the wells drilled on the pad or used as part of our Anadarko Completions Transportation (ACTS) system which is discussed in more detail below. Using the closed loop drilling system will allow Kerr-McGee to decrease the amount of disturbance/footprint on location compared to a single large drilling/completion pit.

If Kerr-McGee does not use a closed loop system, it will construct a drilling reserve pit to contain drill cuttings and for use in completion operations. Depending on the location of the pit, its relation to future drilling locations, the reserve/completion pit will be utilized for the completion of the wells on that pad and/or be used as part of our ACTS system.

Kerr-McGee will use ACTS to optimize the completion processes for multiple pads across the project area which may include up to a section of development. ACTS will facilitate management of frac fluids by utilizing existing reserve pits and temporary, surface-laid aluminum liquids transfer lines between frac locations. The pit will be refurbished as follows when a traditional drill pit is used: mix and pile up drill cuttings with dry dirt, bury the original liner in the pit, walk bottom of pit with cat. Kerr-McGee will reline the pit with a 30 mil liner and double felt padding. The refurbished pit will be the same size or smaller as specified in the originally approved ROW/APD. The pit refurb will be done in a normal procedure and there will be no modification to the pit.

All four sides of the completions pit will be fenced in according to standard pit fencing procedures. Netting will be installed over all pits.

Any hydrocarbons collected will be treated and sold at approved sales facilities. A loading rack with drip containment will also be installed where water trucks would unload and load to prevent damage caused from pulling hoses in and out of the pit.

ACTS will require temporarily laying multiple 6" aluminum water transfer lines on the surface between either existing or refurbished reserve pits. Please see the attached ACTS exhibit C for placement of the proposed temporary lines. The temporary aluminum transfer lines will be utilized to transport frac fluid being injected and/or recovered during the completion process and will be laid adjacent to existing access roads or pipeline corridors. Upon completion of the frac operation, the liquids transfer lines will be flushed with fresh water and purged with compressed air. The contents of the



transfer lines will be flushed into a water truck for delivery to another ACTS location or a reserve pit.

The volume of frac fluid transported through a water transfer line will vary, but volume is projected to be approximately 1.75 bbls per 50-foot joint. Although the maximum working pressure is 125 psig, the liquids transfer lines will be operated at a pressure of approximately 30 to 40 psig. Kerr-McGee requests to keep the netted pit open for one year from first production of the first produced well on the pad. During this time the surrounding well location completion fluids may be recycled in this pit and utilized for other frac jobs in the area. After one year Kerr-McGee will backfill the pit and reclaim. If the pit is not needed for an entire year it will be backfilled and reclaimed earlier. Kerr-McGee understands that due to the temporary nature of this system, BLM considers this a casual use situation; therefore, no permanent ROW or temporary use plan will need to be issued by the BLM.

**E. Location and Types of Water Supply:**

Water for drilling and completion operations will be obtained from the following sources:

Permit # 49-2307	JD Field Services	Green River- Section 15, T2N, R22E
Permit # 49-2321	R.N. Industries	White River- Section 2, T10S, R24E
Permit # 49-2319	R.N. Industries	White River- Various Sources
Permit # 49-2320	R.N. Industries	Green River- Section 33, T8S, R23E

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

**F. Construction Materials:**

Construction operations will typically be completed with native materials found on location. Construction materials that must be imported to the site (mineral material aggregate, soils or materials suitable for fill/surfacing) will be obtained from a nearby permitted source (described in site-specific documents). No construction materials will be removed from federal lands without prior approval from the BLM. A source location other than an on-location construction site will be designated either via a map or narrative within the project specific materials provided to the BLM.

**G. Methods for Handling Waste:**

All wastes subject to regulation will be handled in compliance with applicable laws to minimize the potential for leaks or spills to the environment. Kerr-McGee also maintains a Spill Control and Countermeasure Plan, which includes notification requirements, including the BLM, for all reportable spills of oil, produced liquids, and hazardous materials.

Any accidental release, such as a leak or spill in excess of the reportable quantity, as established by 40 CFR Part 117.3, will be reported as per the requirements of CERCLA, Section 102 B. If a release involves petroleum hydrocarbons or produced liquids, Kerr-McGee will comply with the notification requirements of NTL-3A. Drill cuttings and/or drilling fluids will be contained in the reserve/frac pit whether a closed loop system is used or not. Cuttings will be buried in pit(s) upon closure. Unless specifically approved by the BLM, no oil or other oil-based drilling additives, chromium/metals-based, or saline muds will be used during drilling. Only fresh water (as specified above), biodegradable polymer soap, bentonite clay, and/or non-toxic additives will be used in the mud system.

Pits will be constructed to minimize the accumulation of surface precipitation runoff into the pit (via appropriate placement of subsoil storage areas and/or construction of berms, ditches, etc). Should unexpected liquid petroleum hydrocarbons (crude oil or condensate) be encountered during drilling, completions or well testing, liquid petroleum hydrocarbons will either be contained in test tanks on the well site or evacuated by vacuum trucks and transported to an approved disposal/sales facility. Should petroleum hydrocarbons unexpectedly be released into a reserve/completion pit, they will be removed as soon as practical but in no case will they remain longer than 72 hours unless an alternate is approved by the BLM. Should timely removal not be feasible, the pit will be netted as soon as practical. Similarly,



hydrocarbon removal will take place prior to the closure of the pit, unless authorization is provided for disposal via alternate pit closure methods (e.g. solidification).

The reserve and/or fracture stimulation pit will be lined with an impermeable liner. The liner will be a synthetic material 30 mil or thicker. The bottom and side walls of the pit will be void of any sharp rocks that could puncture the liner. The liner will be installed over smooth fill subgrade that is free of pockets, loose rocks, or other materials (i.e. sand, sifted dirt, bentonite, straw, etc.) that could damage the liner. After evaporation and when dry, the reserve pit liners will be cut off, ripped and/or folded back (as safety considerations allow) as near to the mud surface as possible and buried on location or hauled to a landfill prior to backfilling the pit with a minimum of five feet of soil material.

Where necessary and if conditions (freeboard, etc.) allow, produced liquids from newly completed wells may be temporarily disposed of into pits for a period not to exceed 90 days as per Onshore Order Number 7 (OSO 7). Subsequently, permanent approved produced water disposal methods will be employed in accordance with OSO 7 and/or as described in a Water Management Plan (WMP). Otherwise, fluids disposal locations and associated haul routes, for ROW consideration, are typically depicted on Topo A of individual projects. Revisions to the water source or method of transportation will be subject to written approval from the BLM.

Any additional pits necessary for subsequent operations, such as temporary flare or workover pits, will be contained within the originally approved well pad and disturbance boundaries. Such temporary pits will be backfilled and reclaimed within 180 days of completion of work at a well location.

Pits containing drilling cuttings, mud, and/or completions fluids will be allowed to dry. Any free fluids remaining after one year from reaching total depth, date of completion, and/or determination of inactivity will be removed (as weather conditions allow) to an approved site and the pit reclaimed. Installation and operation of any sprinklers, pumps, and equipment will ensure that water spray or mist does not drift.

No garbage or non-exempt substances as defined by Resource Conservation and Recovery Act (RCRA) subtitle C will be placed in the reserve pit. All refuse (trash and other solid waste including cans, paper, cable, etc.) generated during construction, drilling, completion, and well testing activities will be contained in an enclosed receptacle, removed from the drill locations promptly, and transported to an approved disposal facility. Immediately after removal of the drilling rig, all debris and other waste materials not contained within trash receptacles will be collected and removed from the well location.

For the protection of livestock and wildlife, all open pits (excluding flare pits) will be fenced to prevent wildlife or livestock entry. Total height of pit fencing will be at least 42 inches and corner posts will be cemented and/or braced in such a manner as to keep the fence tight at all times. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet. Siphons, catchments, and absorbent pads will be installed to keep hydrocarbons produced by the drilling rig or other equipment on location from entering the reserve pit. Hydrocarbons, contaminated pads, and/or soils will be disposed of in accordance with state and federal requirements.

Portable, self-contained chemical toilets and/or sewage processing facilities will be provided for human waste disposal. Upon completion of operations, or as required, the toilet holding tanks will be pumped and the contents disposed of in an approved sewage disposal facility. All applicable regulations pertaining to disposal of human and solid waste will be observed.

### **Materials Management**

Hazardous materials above reportable quantities will not be produced by drilling or completing proposed wells or constructing the pipelines/facilities. The term "hazardous materials" as used here means: (1) any substance, pollutant, or containment listed as hazardous under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) of 1980, as amended 42 U.S.C. 9601 et seq., and the regulations issued under CERCLA; and (2) any hazardous waste as defined in RCRA of 1976, as amended. In addition, no extremely hazardous substance, as defined in



40 CFR 355, in threshold planning quantities, would be used, produced, stored, transported, or disposed of while producing any well.

Hazardous materials may be contained in some grease or lubricants, solvents, acids, paint, and herbicides, among others as defined above. Kerr-McGee maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances that are used during the course of construction, drilling, completion, and production operations for this project. The transport, use, storage and handling of hazardous materials will follow procedures specified by federal and state regulations. Transportation of hazardous materials to the well location is regulated by the Department of Transportation (DOT) under 49 CFR, Parts 171-180. DOT regulations pertain to the packing, container handling, labeling, vehicle placarding, and other safety aspects.

Potentially hazardous materials used in the development or operation of wells will be kept in limited quantities on well sites and at the production facilities for short periods of time. Chemicals meeting the criteria for being an acutely hazardous material/substance or meet the quantities criteria per BLM Instruction Memorandum No. 93-344 will not be used.

Chemicals subject to reporting under Title III of the Superfund Amendments and Reauthorization Act (SARA) in quantities of 10,000 pounds or more may be produced and/or stored at production facilities (crude oil/condensate, produced water). They may also be kept in limited quantities on drilling sites (barite, diesel fuel, cement, cottonseed hulls etc.) for short periods of time during drilling or completion activities.

Fluids disposal and pipeline/haul routes are depicted on Topo Map A.

Any produced water separated from recoverable condensate from the proposed well will be contained in a water tank and will then be transported by pipeline and/or truck to one of the pre-approved disposal sites:

RNI in Sec. 5 T9S R22E  
NBU #159 in Sec. 35 T9S R21E  
Ace Oilfield in Sec. 2 T6S R20E  
MC&MC in Sec. 12 T6S R19E  
Pipeline Facility in Sec. 36 T9S R20E  
Goat Pasture Evaporation Pond in SW/4 Sec. 16 T10S R22E  
Bonanza Evaporation Pond in Sec. 2 T10S R23E

Or to one of the following Kerr-McGee active Salt Water Disposal (SWD) wells:

NBU 159 SWD in Sec. 35 T9S R21E  
CIGE 112D SWD in Sec. 19 T9S R21E  
CIGE 114 SWD in Sec. 34 T9S R21E  
NBU 921-34K SWD in Sec. 34 T9S R21E  
NBU 921-33F SWD in Sec. 34 T9S R21E

#### **H. Ancillary Facilities:**

No additional ancillary facilities are planned for this location.

#### **I. Well Site Layout:**

The location, orientation and aerial extent of each drill pad, reserve/completion/flare pit (for closed loop or non-closed loop operations), access road ingress/egress points, drilling rig, dikes/ditches, existing wells/infrastructure, proposed cuts and fills, and topsoil and spoil material stockpile locations are depicted on the exhibits for each project, where applicable. Site-specific conditions may require slight deviation in actual equipment depending on whether a closed loop system is used. Surface distance may be less if using closed loop. But in either case, the area of disturbance will not exceed the maximum disturbance outlined in the attached exhibits.



For the protection of livestock and wildlife, all open pits and cellars will be fenced to prevent wildlife or livestock entry. Total height of pit fencing will be at least 42 inches and corner posts will be cemented and/or braced in such a manner as to keep the fence tight at all times. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

Each well will utilize either a centralized tank battery, centralized fluids management system, or have tanks installed on its pad. Production/ Produced Liquid tanks will be constructed, maintained, and operated to prevent unauthorized surface or subsurface discharges of liquids and to prevent livestock or wildlife entry. The tanks will be kept reasonably free from surface accumulations of liquid hydrocarbons. The tanks are not to be used for disposal of liquids from additional sources without prior approval of BLM.

#### **J. Plans for Surface Reclamation:**

The surface reclamation will be undertaken in two phases: interim and final. Interim reclamation is conducted following well completion and extends through the period of production. Interim reclamation is for the area of the well pad that is not required for production activities. Final reclamation is conducted following well plugging/conversion and/or facility abandonment processes.

Reclamation activities in both phases may include but is not limited to the re-contouring or re-configuration of topographic surfaces, restoration of drainage systems, segregation of spoils materials, minimizing surface disturbance, re-evaluating backfill requirements, pit closure, topsoil redistribution, soil treatments, seeding and weed control.

##### **Interim Reclamation**

Interim reclamation may include pit evaporation, fluid removal, pit solidification, re-contouring, ripping, spreading top soil, seeding, and/or weed control. Interim reclamation will be performed in accordance with OSO 1, or written notification will be provided to the BLM for approval. Where feasible, drilling locations, reserve pits, or access routes not utilized for production operations will be re-contoured to a natural appearance.

Interim re-contouring involves bringing all construction material from cuts and fills back onto the well pad and site and reestablishing the natural contours where desirable and practical. Fill and stockpiled spoils no longer necessary to the operation will be spread on the cut slopes and covered with stockpiled topsoil. All stockpiled top soils will be used for interim reclamation where practical to maintain soil viability. Where possible, the land surface will be left "rough" after re-contouring to ensure that the maximum surface area will be available to support the reestablishment of vegetative cover.

A reserve pit, upon being allowed to dry, will be backfilled and compacted with cover materials that are void of any topsoil, vegetation, large stones, rocks or foreign objects. Soils that are moisture laden, saturated, or partially/completely frozen will not be used for backfill or cover. The pit area will be mounded to allow for settling and to promote positive surface drainage away from the pit. Disposal of pit fluids and linings is discussed in Section G.

##### **Final Reclamation**

Final reclamation will be performed for unproductive wells and after the end of the life of a productive well. As soon as practical after the conclusion of drilling and testing operations, unproductive drill holes will be plugged and abandoned (P&A). Site and road reclamation will commence following plugging. In no case will reclamation at non-producing locations be initiated later than six (6) months from the date a well is plugged. A joint inspection of the disturbed area to be reclaimed may be requested by Kerr-McGee. The primary purpose of this inspection will be to review the existing conditions, or agree upon a revised final reclamation and abandonment plan. The BLM will be notified prior to commencement of reclamation operations. A Notice of Intent to Abandon will be filed for final recommendations regarding surface reclamation.



After plugging, all wellhead equipment that is no longer needed will be removed, and the well site will be reclaimed. Final contouring will blend with and follow as closely as practical the natural terrain and contours of the original site and surrounding areas. After re-contouring the site to the approximate contour that existed prior to pad construction, final grading will be conducted over the entire surface of the well site and access road. The area will be ripped to a depth of 18 to 24 inches on 18 to 24-inch centers, where practical. The surface soil material will be pitted with small depressions to form longitudinal depressions 12 to 18 inches deep, where practical. The entire area will be uniformly covered with the depressions constructed perpendicular to the natural flow of water.

Reclamation of roads will be performed at the discretion of the BLM. All unnecessary surface equipment and structures (e.g. cattle guards) and water control structures (e.g. culverts, drainage pipes) not needed to facilitate successful reclamation will be removed during final reclamation. Roads that will be reclaimed will be ripped to a depth of 18 inches where practical, re-contoured to approximate the original contour of the ground and seeded in accordance with the seeding specifications of the BLM.

Upon successfully completing reclamation of a P&A location, a Final Abandonment Notice will be submitted to the BLM.

#### **Measures Common to Interim and Final Reclamation**

Soil preparation will be conducted using a disk for areas in need of more soil preparation following site preparation. This will provide primary soil tillage to a depth no greater than 6 inches. Prior to reseeding, compacted areas will be scarified by ripping or chiseling to loosen compacted soils, promote water infiltration, and improve soil aeration and root penetration.

Seeding will occur year-round as conditions allow and will typically be accomplished through the use of a no-till rangeland style seed drill with a "picker box" in order to seed "fluffy" seed. Where drill seeding is not the preferred method, seed will be broadcast and then raked into the ground at double the rate of drill seeding. Seed mixes appropriate to the native plant community as determined and specified for each project location based on the site specific soils will be used for re-vegetation. The seed mixes will be selected from a list provided by or approved by the BLM, or a specific seed mix will be proposed by Kerr-McGee to the BLM and used after its approval. The selected specific seed mix for each well location and road segment will be utilized while performing interim and final reclamation for each project. All seed will be certified and tags will be maintained by Kerr-McGee. Every effort will be made to obtain "cheat grass free seed".

Seed Mix to be used for Well Site, Access Road, and Pipeline (as applicable):

<b>Bonanza Area Mix</b>	<b>Pure Live Seed lbs/acre</b>
Crested Wheat (Hycrest)	2
Bottlebrush Squirreltail	1
Western Wheatgrass	1
Indian Ricegrass	1
Fourwing Saltbush	2
Shadscale	2
Forage Kochia	0.25
Rocky Mountain Bee	0.5
<b>Total</b>	<b>9.75</b>

Additional soil amendments and/or stabilization may be required on sites with poor soils and/or excessive erosion potential. Where severe erosion can become a problem and/or the use of machinery is not practical, seed will be hand broadcast and raked with twice the specified amount of seed. Slopes will be stabilized using materials specifically designed to prevent erosion on steep slopes and hold seed in place so vegetation can become permanently established. These materials will include, but are not limited to: erosion control blankets, hydro-mulch, and/or bonded fiber matrix at a rate to achieve a minimum of 80 percent soil coverage. Soil amendments such as "Sustain" (an organic fertilizer that will be applied at the rate 1,800 – 2,100 lbs/acre with seed) may also be dry broadcast or applied with hydro-seeding equipment.



**Weed Control**

All weed management will be done in accordance with the Vernal BLM Surface Disturbance Weed Policy. Noxious weeds will be controlled, as applicable, on project areas. Monitoring and management of noxious and/or invasive weeds of concern will be completed annually until the project is deemed successfully reclaimed by the surface management agency and/or owner according to the Anadarko Integrated Weed Management Plan. Noxious weed infestations will be mapped using a GPS unit and submitted to the BLM with information required in the Vernal BLM Surface Disturbance Weed Policy. If herbicide is to be applied it will be done according to an approved Pesticide Use Permit (PUP), inclusive of applicable locations. All pesticide applications will be recorded using a Pesticide Application Record (PAR) and will be submitted along with a Pesticide Use Report (PUR) annually prior to Dec. 31.

**Monitoring**

Monitoring of reclaimed project areas will be completed annually during the growing season and actions to ensure reclamation success will be taken as needed. During the first two growing seasons an ocular methodology will be used to determine the success of the reclamation activities. During the 3rd growing season a 200 point line intercept (quantitative) methodology will be used to obtain basal cover. The goal is to have the reclaimed area reach 30% basal cover when compared to the reference site. If after three growing seasons the area has not reached 30% basal cover, additional reclamation activities may be necessary. Monitoring will continue until the reclaimed area reaches 75% basal cover of desirable vegetation when compared to the reference site. (Green River District Reclamation Guidelines)

All monitoring reports will be submitted electronically to the Vernal BLM in the form of a geo-database no later than March 1st of the calendar year following the data collection.

**K. Surface/Mineral Ownership:**

United States of America  
Bureau of Land Management  
170 South 500 East  
Vernal, UT 84078  
(435)781-4400

**L. Other Information:****Onsite Specifics:**

- Armor toe of fill slope from corner 10 to corner 2
- 6" topsoil

**Cultural and Paleontological Resources**

All personnel are strictly prohibited from collecting artifacts, any paleontological specimens or fossils, and from disturbing any significant cultural resources in the area. If artifacts, fossils, or any culturally sensitive materials are exposed or identified in the area of construction, all construction operations that would affect the newly discovered resource will cease, and Kerr-McGee will provide immediate notification to the BLM.

**Resource Reports:**

A Class I literature survey was completed on January 25, 2012 by Montgomery Archaeological Consultants, Inc (MOAC). For additional details please refer to report MOAC 11-371.

A paleontological reconnaissance survey was completed in November, 2011 by SWCA Environmental Consultants. For additional details please refer to report UT11-14314-195, report UT12-14314-126 and report UT12-14314-125.



Biological field survey was completed in November, 2011 by Grasslands Consulting, Inc (GCI). For additional details please refer to report GCI-673 and report GCI-671.

**Proposed Action Annual Emissions Tables:**

<b>Table 1: Proposed Action Annual Emissions (tons/year)<sup>1</sup></b>			
<b>Pollutant</b>	<b>Development</b>	<b>Production</b>	<b>Total</b>
NOx	3.8	0.12	3.92
CO	2.2	0.11	2.31
VOC	0.1	10.94	11.04
SO <sub>2</sub>	0.005	0.00	0.01
PM <sub>10</sub>	1.7	0.11	1.81
PM <sub>2.5</sub>	0.4	0.03	0.43
Benzene	2.2E-03	0.08	0.09
Toluene	1.6E-03	0.13	0.14
Ethylbenzene	3.4E-04	0.00	0.00
Xylene	1.1E-03	0.06	0.06
n-Hexane	1.7E-04	0.34	0.34
Formaldehyde	1.3E-02	8.64E-05	1.31E-02

<sup>1</sup> Emissions include 1 producing well and associated operations traffic during the year in which the project is developed

<b>Table 2: Proposed Action versus 2012 WRAP Phase III Emissions Inventory Comparison</b>			
<b>Species</b>	<b>Proposed Action Production Emissions (ton/yr)</b>	<b>WRAP Phase III 2012 Uintah Basin Emission Inventory<sup>a</sup> (ton/yr)</b>	<b>Percentage of Proposed Action to WRAP Phase III</b>
NOx	23.52	16,547	0.14%
VOC	66.25734	127,495	0.05%

<sup>a</sup> [http://www.wrapair.org/forums/ogwg/PhaseIII\\_Inventory.html](http://www.wrapair.org/forums/ogwg/PhaseIII_Inventory.html)

Uintah Basin Data



Bonanza 1023-17C1CS/ 1023-17D1CS/ 1023-17D4BS/ 1023-17D4DS  
Bonanza 1023-17E1DS/ 1023-17E4AS

Surface Use Plan of Operations  
13 of 13

**M. Lessee's or Operators' Representative & Certification:**

Danielle Piernot  
Regulatory Analyst II  
Kerr-McGee Oil & Gas Onshore LP  
PO Box 173779  
Denver, CO 80217-3779  
(720) 929-6156

Tommy Thompson  
General Manager, Drilling  
Kerr-McGee Oil & Gas Onshore LP  
PO Box 173779  
Denver, CO 80217-3779  
(720) 929-6724

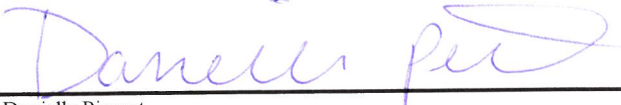
Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

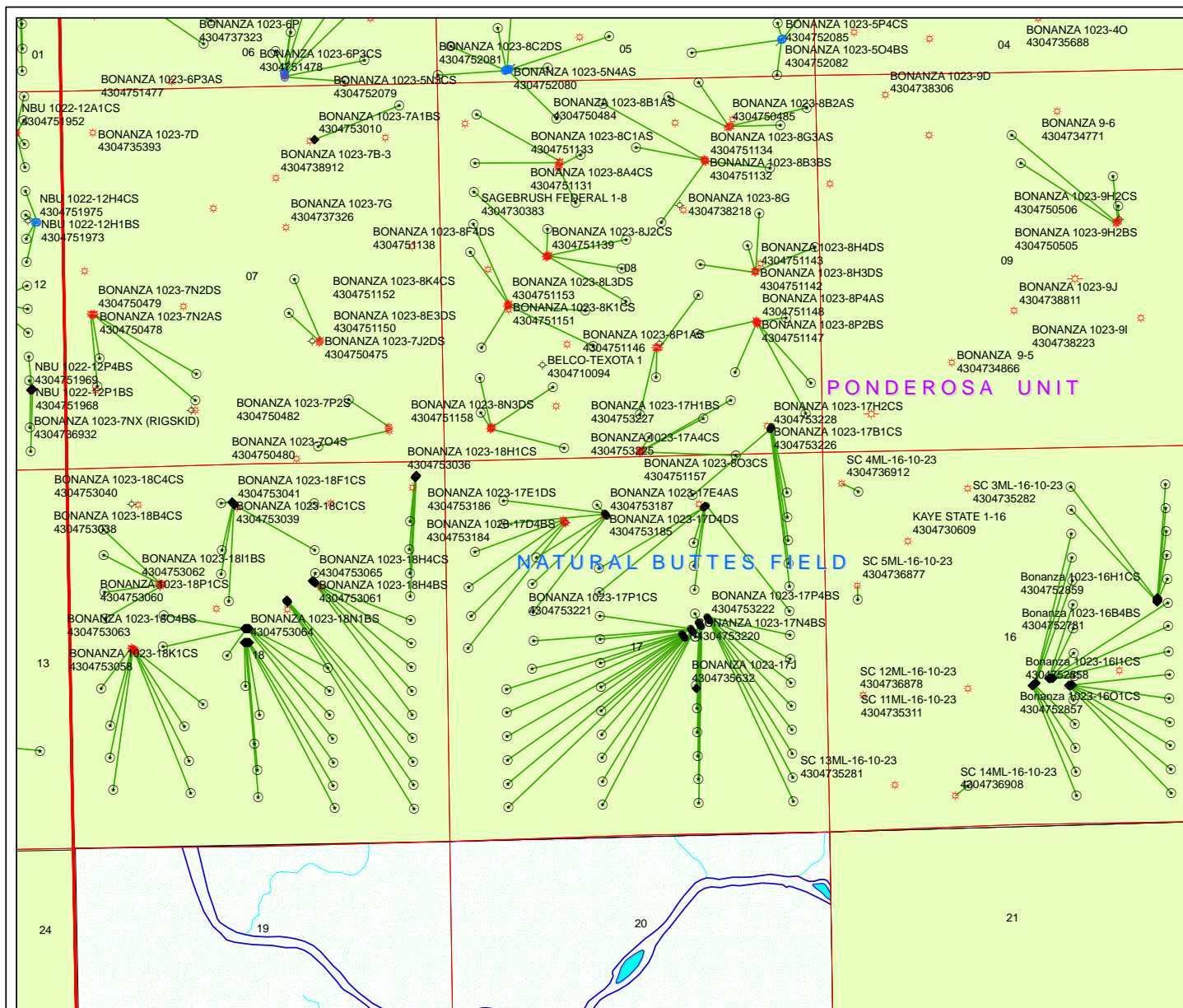
Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Bureau of Land Management Nationwide Bond WYB000291.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that I have full knowledge of the State and Federal laws applicable to this operation; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

  
\_\_\_\_\_  
Danielle Piernot

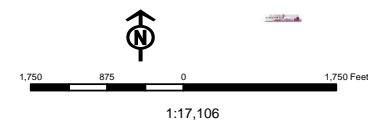
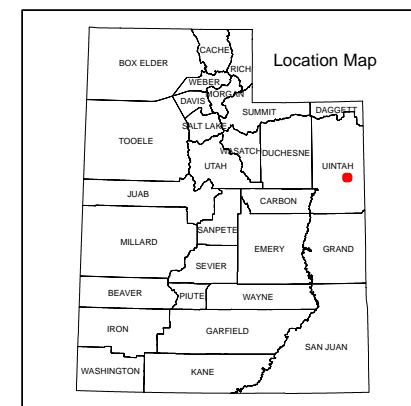
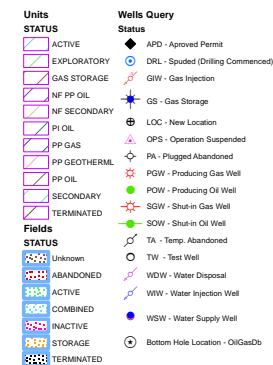
May 7, 2012  
\_\_\_\_\_  
Date





**API Number: 4304753184**  
**Well Name: BONANZA 1023-17D4BS**  
**Township T10.0S Range R23.0E Section 17**  
**Meridian: SLBM**  
**Operator: KERR-MCGEE OIL & GAS ONSHORE, L.P.**

Map Prepared:  
 Map Produced by Diana Mason





# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:

3160

(UT-922)

October 2, 2012

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2012 Plan of Development Ponderosa Unit  
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2012 within the Ponderosa Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
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(Proposed PZ WASATCH-MESA VERDE)

**Pad 1023-17B**

43-047-53177	BONANZA 1023-17F1BS	Sec 17 T10S R23E 0671 FNL 1665 FEL
	BHL	Sec 17 T10S R23E 1483 FNL 2139 FWL

43-047-53178	BONANZA 1023-17F1CS	Sec 17 T10S R23E 0665 FNL 1656 FEL
	BHL	Sec 17 T10S R23E 1813 FNL 2139 FWL

43-047-53179	BONANZA 1023-17G1BS	Sec 17 T10S R23E 0654 FNL 1640 FEL
	BHL	Sec 17 T10S R23E 1486 FNL 1810 FEL

43-047-53180	BONANZA 1023-17G1CS	Sec 17 T10S R23E 0649 FNL 1631 FEL
	BHL	Sec 17 T10S R23E 1816 FNL 1810 FEL

43-047-53181	BONANZA 1023-17H4BS	Sec 17 T10S R23E 0644 FNL 1623 FEL
	BHL	Sec 17 T10S R23E 2150 FNL 0493 FEL

**Pad 1023-17C4**

43-047-53182	BONANZA 1023-17C1CS	Sec 17 T10S R23E 0707 FNL 2230 FWL
	BHL	Sec 17 T10S R23E 0595 FNL 2125 FWL

43-047-53183	BONANZA 1023-17D1CS	Sec 17 T10S R23E 0715 FNL 2235 FWL
	BHL	Sec 17 T10S R23E 0494 FNL 0823 FWL

43-047-53184	BONANZA 1023-17D4BS	Sec 17 T10S R23E 0723 FNL 2241 FWL
	BHL	Sec 17 T10S R23E 0822 FNL 0823 FWL

43-047-53185	BONANZA 1023-17D4DS	Sec 17 T10S R23E 0732 FNL 2247 FWL
	BHL	Sec 17 T10S R23E 1304 FNL 1267 FWL

RECEIVED: October 02, 2012



API #	WELL NAME	LOCATION
(Proposed PZ WASATCH-MESA VERDE)		
<b>Pad 1023-17C4</b>		
43-047-53186	BONANZA 1023-17E1DS	Sec 17 T10S R23E 0740 FNL 2253 FWL BHL Sec 17 T10S R23E 1673 FNL 1205 FWL
43-047-53187	BONANZA 1023-17E4AS	Sec 17 T10S R23E 0748 FNL 2259 FWL BHL Sec 17 T10S R23E 2057 FNL 1216 FWL
<b>Pad 1023-17G</b>		
43-047-53188	BONANZA 1023-17J1CS	Sec 17 T10S R23E 2294 FNL 1749 FEL BHL Sec 17 T10S R23E 2148 FSL 1813 FEL
43-047-53189	BONANZA 1023-17E4DS	Sec 17 T10S R23E 2363 FNL 1871 FEL BHL Sec 17 T10S R23E 2466 FNL 1215 FWL
43-047-53190	BONANZA 1023-17F4BS	Sec 17 T10S R23E 2355 FNL 1877 FEL BHL Sec 17 T10S R23E 2143 FNL 2139 FWL
43-047-53191	BONANZA 1023-17F4CS	Sec 17 T10S R23E 2372 FNL 1865 FEL BHL Sec 17 T10S R23E 2472 FNL 2138 FWL
43-047-53192	BONANZA 1023-17G4BS	Sec 17 T10S R23E 2269 FNL 1766 FEL BHL Sec 17 T10S R23E 2146 FNL 1810 FEL
43-047-53194	BONANZA 1023-17G4CS	Sec 17 T10S R23E 2278 FNL 1760 FEL BHL Sec 17 T10S R23E 2476 FNL 1809 FEL
43-047-53195	BONANZA 1023-17H4CS	Sec 17 T10S R23E 2200 FNL 1644 FEL BHL Sec 17 T10S R23E 2480 FNL 0493 FEL
43-047-53196	BONANZA 1023-17I1BS	Sec 17 T10S R23E 2208 FNL 1639 FEL BHL Sec 17 T10S R23E 2482 FSL 0493 FEL
43-047-53197	BONANZA 1023-17I1CS	Sec 17 T10S R23E 2217 FNL 1633 FEL BHL Sec 17 T10S R23E 2151 FSL 0493 FEL
43-047-53198	BONANZA 1023-17I4BS	Sec 17 T10S R23E 2233 FNL 1622 FEL BHL Sec 17 T10S R23E 1820 FSL 0493 FEL
43-047-53199	BONANZA 1023-17I4CS	Sec 17 T10S R23E 2258 FNL 1605 FEL BHL Sec 17 T10S R23E 1489 FSL 0493 FEL
43-047-53200	BONANZA 1023-17J1BS	Sec 17 T10S R23E 2286 FNL 1755 FEL BHL Sec 17 T10S R23E 2478 FSL 1809 FEL
43-047-53201	BONANZA 1023-17J4BS	Sec 17 T10S R23E 2303 FNL 1744 FEL BHL Sec 17 T10S R23E 1817 FSL 1809 FEL
43-047-53202	BONANZA 1023-17J4CS	Sec 17 T10S R23E 2311 FNL 1738 FEL BHL Sec 17 T10S R23E 1487 FSL 1808 FEL
43-047-53203	BONANZA 1023-17K1BS	Sec 17 T10S R23E 2433 FNL 1993 FEL BHL Sec 17 T10S R23E 2474 FSL 2138 FWL



API #	WELL NAME	LOCATION
(Proposed PZ WASATCH-MESA VERDE)		
<b>Pad 1023-17G</b>		
43-047-53204	BONANZA 1023-17L1AS	Sec 17 T10S R23E 2380 FNL 1860 FEL BHL Sec 17 T10S R23E 2422 FSL 1183 FWL
43-047-53205	BONANZA 1023-17L1CS	Sec 17 T10S R23E 2424 FNL 1998 FEL BHL Sec 17 T10S R23E 2140 FSL 0822 FWL
43-047-53206	BONANZA 1023-17L4BS	Sec 17 T10S R23E 2441 FNL 1987 FEL BHL Sec 17 T10S R23E 1811 FSL 0822 FWL
43-047-53207	BONANZA 1023-17L4CS	Sec 17 T10S R23E 2449 FNL 1982 FEL BHL Sec 17 T10S R23E 1482 FSL 0822 FWL
43-047-53208	BONANZA 1023-17K1CS	Sec 17 T10S R23E 2458 FNL 1976 FEL BHL Sec 17 T10S R23E 2144 FSL 2138 FWL
43-047-53209	BONANZA 1023-17K4BS	Sec 17 T10S R23E 2483 FNL 1959 FEL BHL Sec 17 T10S R23E 1814 FSL 2138 FWL
43-047-53210	BONANZA 1023-17K4CS	Sec 17 T10S R23E 2388 FNL 1854 FEL BHL Sec 17 T10S R23E 1484 FSL 2137 FWL
43-047-53211	BONANZA 1023-17M1BS	Sec 17 T10S R23E 2466 FNL 1971 FEL BHL Sec 17 T10S R23E 1153 FSL 0822 FWL
43-047-53212	BONANZA 1023-17M1CS	Sec 17 T10S R23E 2474 FNL 1965 FEL BHL Sec 17 T10S R23E 0823 FSL 0822 FWL
43-047-53213	BONANZA 1023-17M4BS	Sec 17 T10S R23E 2491 FNL 1954 FEL BHL Sec 17 T10S R23E 0494 FSL 0822 FWL
43-047-53214	BONANZA 1023-17N1BS	Sec 17 T10S R23E 2397 FNL 1849 FEL BHL Sec 17 T10S R23E 1155 FSL 2137 FWL
43-047-53215	BONANZA 1023-17O1BS	Sec 17 T10S R23E 2319 FNL 1732 FEL BHL Sec 17 T10S R23E 1157 FSL 1808 FEL
43-047-53216	BONANZA 1023-17O1CS	Sec 17 T10S R23E 2328 FNL 1727 FEL BHL Sec 17 T10S R23E 0826 FSL 1808 FEL
43-047-53217	BONANZA 1023-17O4BS	Sec 17 T10S R23E 2336 FNL 1721 FEL BHL Sec 17 T10S R23E 0496 FSL 1808 FEL
43-047-53218	BONANZA 1023-17P1BS	Sec 17 T10S R23E 2250 FNL 1611 FEL BHL Sec 17 T10S R23E 1158 FSL 0493 FEL
43-047-53219	BONANZA 1023-17N1CS	Sec 17 T10S R23E 2405 FNL 1843 FEL BHL Sec 17 T10S R23E 0825 FSL 2137 FWL
43-047-53220	BONANZA 1023-17N4BS	Sec 17 T10S R23E 2413 FNL 1838 FEL BHL Sec 17 T10S R23E 0495 FSL 2136 FWL
43-047-53221	BONANZA 1023-17P1CS	Sec 17 T10S R23E 2242 FNL 1616 FEL BHL Sec 17 T10S R23E 0827 FSL 0493 FEL



API #	WELL NAME	LOCATION
(Proposed PZ WASATCH-MESA VERDE)		
<b>Pad 1023-17G</b>		
43-047-53222	BONANZA 1023-17P4BS	Sec 17 T10S R23E 2225 FNL 1627 FEL BHL Sec 17 T10S R23E 0496 FSL 0493 FEL
<b>Pad 1023-8P</b>		
43-047-53223	BONANZA 1023-17A1CS	Sec 08 T10S R23E 0435 FSL 0692 FEL BHL Sec 17 T10S R23E 0496 FNL 0494 FEL
43-047-53224	BONANZA 1023-17A4BS	Sec 08 T10S R23E 0426 FSL 0696 FEL BHL Sec 17 T10S R23E 0833 FNL 0497 FEL
43-047-53225	BONANZA 1023-17A4CS	Sec 08 T10S R23E 0417 FSL 0700 FEL BHL Sec 17 T10S R23E 1157 FNL 0494 FEL
43-047-53226	BONANZA 1023-17B1CS	Sec 08 T10S R23E 0390 FSL 0713 FEL BHL Sec 17 T10S R23E 0495 FNL 1811 FEL
43-047-53227	BONANZA 1023-17H1BS	Sec 08 T10S R23E 0408 FSL 0705 FEL BHL Sec 17 T10S R23E 1488 FNL 0494 FEL
43-047-53228	BONANZA 1023-17H2CS	Sec 08 T10S R23E 0399 FSL 0709 FEL BHL Sec 17 T10S R23E 1805 FNL 0486 FEL
<b>Pad 1023-7B</b>		
43-047-53233	BONANZA 1023-7A1CS	Sec 07 T10S R23E 0724 FNL 1691 FEL BHL Sec 07 T10S R23E 0623 FNL 0496 FEL
43-047-53234	BONANZA 1023-7B1BS	Sec 07 T10S R23E 0735 FNL 1708 FEL BHL Sec 07 T10S R23E 0261 FNL 1814 FEL
43-047-53235	BONANZA 1023-7B1CS	Sec 07 T10S R23E 0740 FNL 1717 FEL BHL Sec 07 T10S R23E 0579 FNL 1817 FEL
43-047-53236	BONANZA 1023-7H1BS	Sec 07 T10S R23E 0729 FNL 1699 FEL BHL Sec 07 T10S R23E 1407 FNL 0493 FEL
43-047-53237	BONANZA 1023-7H1CS	Sec 07 T10S R23E 0745 FNL 1725 FEL BHL Sec 07 T10S R23E 1739 FNL 0493 FEL
<b>Pad 1023-7B3</b>		
43-047-53238	BONANZA 1023-7C1BS	Sec 07 T10S R23E 1258 FNL 2263 FEL BHL Sec 07 T10S R23E 0082 FNL 2144 FWL
43-047-53239	BONANZA 1023-7C4BS	Sec 07 T10S R23E 1260 FNL 2273 FEL BHL Sec 07 T10S R23E 0745 FNL 2148 FWL
43-047-53240	BONANZA 1023-7C4CS	Sec 07 T10S R23E 1261 FNL 2283 FEL BHL Sec 07 T10S R23E 1077 FNL 2148 FWL
43-047-53241	BONANZA 1023-7F1BS	Sec 07 T10S R23E 1263 FNL 2293 FEL BHL Sec 07 T10S R23E 1407 FNL 2148 FWL
43-047-53242	BONANZA 1023-7G1BS	Sec 07 T10S R23E 1255 FNL 2244 FEL BHL Sec 07 T10S R23E 1572 FNL 1818 FEL



API #	WELL NAME	LOCATION
(Proposed PZ WASATCH-MESA VERDE)		
<b>Pad 1023-7B3</b>		
43-047-53243	BONANZA 1023-7G1CS	Sec 07 T10S R23E 1257 FNL 2254 FEL BHL Sec 07 T10S R23E 1903 FNL 1818 FEL
<b>Pad 1023-7D</b>		
43-047-53245	BONANZA 1023-7D1BS	Sec 07 T10S R23E 0589 FNL 0635 FWL BHL Sec 07 T10S R23E 0237 FNL 0819 FWL
43-047-53246	BONANZA 1023-7D1CS	Sec 07 T10S R23E 0597 FNL 0629 FWL BHL Sec 07 T10S R23E 0579 FNL 0823 FWL
43-047-53247	BONANZA 1023-7D4CS	Sec 07 T10S R23E 0605 FNL 0624 FWL BHL Sec 07 T10S R23E 1241 FNL 0823 FWL
43-047-53248	BONANZA 1023-7E1BS	Sec 07 T10S R23E 0614 FNL 0618 FWL BHL Sec 07 T10S R23E 1572 FNL 0823 FWL
43-047-53249	BONANZA 1023-7E1CS	Sec 07 T10S R23E 0622 FNL 0612 FWL BHL Sec 07 T10S R23E 1904 FNL 0823 FWL
<b>Pad 1023-7H</b>		
43-047-53250	BONANZA 1023-7H4CS	Sec 07 T10S R23E 2205 FNL 0374 FEL BHL Sec 07 T10S R23E 2078 FNL 0490 FEL
43-047-53251	BONANZA 1023-7I1BS	Sec 07 T10S R23E 2210 FNL 0365 FEL BHL Sec 07 T10S R23E 2567 FSL 0493 FEL
43-047-53252	BONANZA 1023-7I1CS	Sec 07 T10S R23E 2221 FNL 0348 FEL BHL Sec 07 T10S R23E 2236 FSL 0493 FEL
43-047-53253	BONANZA 1023-7I4BS	Sec 07 T10S R23E 2226 FNL 0339 FEL BHL Sec 07 T10S R23E 1905 FSL 0494 FEL
43-047-53256	BONANZA 1023-7I4CS	Sec 07 T10S R23E 2231 FNL 0330 FEL BHL Sec 07 T10S R23E 1574 FSL 0493 FEL
<b>Pad 1023-7K</b>		
43-047-53254	BONANZA 1023-7F4CS	Sec 07 T10S R23E 2297 FSL 1754 FWL BHL Sec 07 T10S R23E 2401 FNL 2148 FWL
43-047-53255	BONANZA 1023-7E4BS	Sec 07 T10S R23E 2288 FSL 1736 FWL BHL Sec 07 T10S R23E 2235 FNL 0824 FWL
43-047-53257	BONANZA 1023-7E4CS	Sec 07 T10S R23E 2283 FSL 1727 FWL BHL Sec 07 T10S R23E 2496 FNL 0814 FWL
43-047-53258	BONANZA 1023-7F4BS	Sec 07 T10S R23E 2292 FSL 1745 FWL BHL Sec 07 T10S R23E 2070 FNL 2148 FWL
43-047-53259	BONANZA 1023-7K1BS	Sec 07 T10S R23E 2305 FSL 1771 FWL BHL Sec 07 T10S R23E 2567 FSL 2148 FWL
43-047-53260	BONANZA 1023-7K4BS	Sec 07 T10S R23E 2301 FSL 1762 FWL BHL Sec 07 T10S R23E 2259 FSL 2153 FWL



API #	WELL NAME	LOCATION
(Proposed PZ WASATCH-MESA VERDE)		
<b>Pad 1023-7M</b>		
43-047-53261	BONANZA 1023-7K3AS	Sec 07 T10S R23E 1103 FSL 0498 FWL BHL Sec 07 T10S R23E 1654 FSL 1919 FWL
43-047-53262	BONANZA 1023-7L1CS	Sec 07 T10S R23E 1100 FSL 0488 FWL BHL Sec 07 T10S R23E 2134 FSL 0829 FWL
43-047-53263	BONANZA 1023-7M4BS	Sec 07 T10S R23E 1097 FSL 0479 FWL BHL Sec 07 T10S R23E 0415 FSL 0824 FWL
43-047-53264	BONANZA 1023-7M4CS	Sec 07 T10S R23E 1094 FSL 0470 FWL BHL Sec 07 T10S R23E 0088 FSL 0817 FWL
<b>Pad 1023-7O</b>		
43-047-53265	BONANZA 1023-7O1CS	Sec 07 T10S R23E 0081 FSL 2127 FEL BHL Sec 07 T10S R23E 0746 FSL 1818 FEL
43-047-53266	BONANZA 1023-7N4CS	Sec 07 T10S R23E 0072 FSL 2145 FEL BHL Sec 07 T10S R23E 0183 FSL 2152 FWL
43-047-53267	BONANZA 1023-7O2AS	Sec 07 T10S R23E 0077 FSL 2136 FEL BHL Sec 07 T10S R23E 1298 FSL 2010 FEL
43-047-53268	BONANZA 1023-7P1BS	Sec 07 T10S R23E 0086 FSL 2118 FEL BHL Sec 07 T10S R23E 1242 FSL 0493 FEL
43-047-53269	BONANZA 1023-7P1CS	Sec 07 T10S R23E 0095 FSL 2100 FEL BHL Sec 07 T10S R23E 0911 FSL 0494 FEL
43-047-53270	BONANZA 1023-7P4BS	Sec 07 T10S R23E 0090 FSL 2109 FEL BHL Sec 07 T10S R23E 0579 FSL 0493 FEL

This office has no objection to permitting the wells at this time.

Michael L. Coulthard

Digitally signed by Michael L. Coulthard  
DN: cn=Michael L. Coulthard, o=Bureau of Land Management,  
ou=Branch of Minerals, email=Michael\_Coulthard@blm.gov,  
c=US  
Date: 2012.10.02 09:49:42 -06'00'

bcc: File - Ponderosa Unit  
Division of Oil Gas and Mining  
Central Files  
Agr. Sec. Chron  
Fluid Chron

MCoulthard:mc:10-2-12

RECEIVED: October 02, 2012



API Number	Well Name	Surface Location		
43-047-53177	BONANZA 1023-17F1BS	Sec 17	T10S R23E	0671 FNL 1665 FEL
43-047-53178	BONANZA 1023-17F1CS	Sec 17	T10S R23E	0665 FNL 1656 FEL
43-047-53179	BONANZA 1023-17G1BS	Sec 17	T10S R23E	0654 FNL 1640 FEL
43-047-53180	BONANZA 1023-17G1CS	Sec 17	T10S R23E	0649 FNL 1631 FEL
43-047-53181	BONANZA 1023-17H4BS	Sec 17	T10S R23E	0644 FNL 1623 FEL
43-047-53182	BONANZA 1023-17C1CS	Sec 17	T10S R23E	0707 FNL 2230 FWL
43-047-53183	BONANZA 1023-17D1CS	Sec 17	T10S R23E	0715 FNL 2235 FWL
43-047-53184	BONANZA 1023-17D4BS	Sec 17	T10S R23E	0723 FNL 2241 FWL
43-047-53185	BONANZA 1023-17D4DS	Sec 17	T10S R23E	0732 FNL 2247 FWL
43-047-53186	BONANZA 1023-17E1DS	Sec 17	T10S R23E	0740 FNL 2253 FWL
43-047-53187	BONANZA 1023-17E4AS	Sec 17	T10S R23E	0748 FNL 2259 FWL
43-047-53188	BONANZA 1023-17J1CS	Sec 17	T10S R23E	2294 FNL 1749 FEL
43-047-53189	BONANZA 1023-17E4DS	Sec 17	T10S R23E	2363 FNL 1871 FEL
43-047-53190	BONANZA 1023-17F4BS	Sec 17	T10S R23E	2355 FNL 1877 FEL
43-047-53191	BONANZA 1023-17F4CS	Sec 17	T10S R23E	2372 FNL 1865 FEL
43-047-53192	BONANZA 1023-17G4BS	Sec 17	T10S R23E	2269 FNL 1766 FEL
43-047-53194	BONANZA 1023-17G4CS	Sec 17	T10S R23E	2278 FNL 1760 FEL
43-047-53195	BONANZA 1023-17H4CS	Sec 17	T10S R23E	2200 FNL 1644 FEL
43-047-53196	BONANZA 1023-17I1BS	Sec 17	T10S R23E	2208 FNL 1639 FEL
43-047-53197	BONANZA 1023-17I1CS	Sec 17	T10S R23E	2217 FNL 1633 FEL
43-047-53198	BONANZA 1023-17I4BS	Sec 17	T10S R23E	2233 FNL 1622 FEL
43-047-53199	BONANZA 1023-17I4CS	Sec 17	T10S R23E	2258 FNL 1605 FEL
43-047-53200	BONANZA 1023-17J1BS	Sec 17	T10S R23E	2286 FNL 1755 FEL
43-047-53201	BONANZA 1023-17J4BS	Sec 17	T10S R23E	2303 FNL 1744 FEL
43-047-53202	BONANZA 1023-17J4CS	Sec 17	T10S R23E	2311 FNL 1738 FEL
43-047-53203	BONANZA 1023-17K1BS	Sec 17	T10S R23E	2433 FNL 1993 FEL
43-047-53204	BONANZA 1023-17L1AS	Sec 17	T10S R23E	2380 FNL 1860 FEL
43-047-53205	BONANZA 1023-17L1CS	Sec 17	T10S R23E	2424 FNL 1998 FEL
43-047-53206	BONANZA 1023-17L4BS	Sec 17	T10S R23E	2441 FNL 1987 FEL
43-047-53207	BONANZA 1023-17L4CS	Sec 17	T10S R23E	2449 FNL 1982 FEL
43-047-53208	BONANZA 1023-17K1CS	Sec 17	T10S R23E	2458 FNL 1976 FEL
43-047-53209	BONANZA 1023-17K4BS	Sec 17	T10S R23E	2483 FNL 1959 FEL
43-047-53210	BONANZA 1023-17K4CS	Sec 17	T10S R23E	2388 FNL 1854 FEL
43-047-53211	BONANZA 1023-17M1BS	Sec 17	T10S R23E	2466 FNL 1971 FEL
43-047-53212	BONANZA 1023-17M1CS	Sec 17	T10S R23E	2474 FNL 1965 FEL
43-047-53213	BONANZA 1023-17M4BS	Sec 17	T10S R23E	2491 FNL 1954 FEL
43-047-53214	BONANZA 1023-17N1BS	Sec 17	T10S R23E	2397 FNL 1849 FEL
43-047-53215	BONANZA 1023-17O1BS	Sec 17	T10S R23E	2319 FNL 1732 FEL
43-047-53216	BONANZA 1023-17O1CS	Sec 17	T10S R23E	2328 FNL 1727 FEL
43-047-53217	BONANZA 1023-17O4BS	Sec 17	T10S R23E	2336 FNL 1721 FEL
43-047-53218	BONANZA 1023-17P1BS	Sec 17	T10S R23E	2250 FNL 1611 FEL
43-047-53219	BONANZA 1023-17N1CS	Sec 17	T10S R23E	2405 FNL 1843 FEL
43-047-53220	BONANZA 1023-17N4BS	Sec 17	T10S R23E	2413 FNL 1838 FEL
43-047-53221	BONANZA 1023-17P1CS	Sec 17	T10S R23E	2242 FNL 1616 FEL
43-047-53222	BONANZA 1023-17P4BS	Sec 17	T10S R23E	2225 FNL 1627 FEL
43-047-53223	BONANZA 1023-17A1CS	Sec 08	T10S R23E	0435 FSL 0692 FEL



API Number	Well Name	Surface Location		
43-047-53224	BONANZA 1023-17A4BS	Sec 08	T10S R23E	0426 FSL 0696 FEL
43-047-53225	BONANZA 1023-17A4CS	Sec 08	T10S R23E	0417 FSL 0700 FEL
43-047-53226	BONANZA 1023-17B1CS	Sec 08	T10S R23E	0390 FSL 0713 FEL
43-047-53227	BONANZA 1023-17H1BS	Sec 08	T10S R23E	0408 FSL 0705 FEL
43-047-53228	BONANZA 1023-17H2CS	Sec 08	T10S R23E	0399 FSL 0709 FEL
43-047-53233	BONANZA 1023-7A1CS	Sec 07	T10S R23E	0724 FNL 1691 FEL
43-047-53234	BONANZA 1023-7B1BS	Sec 07	T10S R23E	0735 FNL 1708 FEL
43-047-53235	BONANZA 1023-7B1CS	Sec 07	T10S R23E	0740 FNL 1717 FEL
43-047-53236	BONANZA 1023-7H1BS	Sec 07	T10S R23E	0729 FNL 1699 FEL
43-047-53237	BONANZA 1023-7H1CS	Sec 07	T10S R23E	0745 FNL 1725 FEL
43-047-53238	BONANZA 1023-7C1BS	Sec 07	T10S R23E	1258 FNL 2263 FEL
43-047-53239	BONANZA 1023-7C4BS	Sec 07	T10S R23E	1260 FNL 2273 FEL
43-047-53240	BONANZA 1023-7C4CS	Sec 07	T10S R23E	1261 FNL 2283 FEL
43-047-53241	BONANZA 1023-7F1BS	Sec 07	T10S R23E	1263 FNL 2293 FEL
43-047-53242	BONANZA 1023-7G1BS	Sec 07	T10S R23E	1255 FNL 2244 FEL
43-047-53243	BONANZA 1023-7G1CS	Sec 07	T10S R23E	1257 FNL 2254 FEL
43-047-53245	BONANZA 1023-7D1BS	Sec 07	T10S R23E	0589 FNL 0635 FWL
43-047-53246	BONANZA 1023-7D1CS	Sec 07	T10S R23E	0597 FNL 0629 FWL
43-047-53247	BONANZA 1023-7D4CS	Sec 07	T10S R23E	0605 FNL 0624 FWL
43-047-53248	BONANZA 1023-7E1BS	Sec 07	T10S R23E	0614 FNL 0618 FWL
43-047-53249	BONANZA 1023-7E1CS	Sec 07	T10S R23E	0622 FNL 0612 FWL
43-047-53250	BONANZA 1023-7H4CS	Sec 07	T10S R23E	2205 FNL 0374 FEL
43-047-53251	BONANZA 1023-7I1BS	Sec 07	T10S R23E	2210 FNL 0365 FEL
43-047-53252	BONANZA 1023-7I1CS	Sec 07	T10S R23E	2221 FNL 0348 FEL
43-047-53253	BONANZA 1023-7I4BS	Sec 07	T10S R23E	2226 FNL 0339 FEL
43-047-53254	BONANZA 1023-7F4CS	Sec 07	T10S R23E	2297 FSL 1754 FWL
43-047-53255	BONANZA 1023-7E4BS	Sec 07	T10S R23E	2288 FSL 1736 FWL
43-047-53256	BONANZA 1023-7I4CS	Sec 07	T10S R23E	2231 FNL 0330 FEL
43-047-53257	BONANZA 1023-7E4CS	Sec 07	T10S R23E	2283 FSL 1727 FWL
43-047-53258	BONANZA 1023-7F4BS	Sec 07	T10S R23E	2292 FSL 1745 FWL
43-047-53259	BONANZA 1023-7K1BS	Sec 07	T10S R23E	2305 FSL 1771 FWL
43-047-53260	BONANZA 1023-7K4BS	Sec 07	T10S R23E	2301 FSL 1762 FWL
43-047-53261	BONANZA 1023-7K3AS	Sec 07	T10S R23E	1103 FSL 0498 FWL
43-047-53262	BONANZA 1023-7L1CS	Sec 07	T10S R23E	1100 FSL 0488 FWL
43-047-53263	BONANZA 1023-7M4BS	Sec 07	T10S R23E	1097 FSL 0479 FWL
43-047-53264	BONANZA 1023-7M4CS	Sec 07	T10S R23E	1094 FSL 0470 FWL
43-047-53265	BONANZA 1023-7O1CS	Sec 07	T10S R23E	0081 FSL 2127 FEL
43-047-53266	BONANZA 1023-7N4CS	Sec 07	T10S R23E	0072 FSL 2145 FEL
43-047-53267	BONANZA 1023-7O2AS	Sec 07	T10S R23E	0077 FSL 2136 FEL
43-047-53268	BONANZA 1023-7P1BS	Sec 07	T10S R23E	0086 FSL 2118 FEL
43-047-53269	BONANZA 1023-7P1CS	Sec 07	T10S R23E	0095 FSL 2100 FEL
43-047-53270	BONANZA 1023-7P4BS	Sec 07	T10S R23E	0090 FSL 2109 FEL
New Pad				
Located on Previous Pad				



## WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 9/24/2012

API NO. ASSIGNED: 43047531840000

WELL NAME: BONANZA 1023-17D4BS

OPERATOR: KERR-MCGEE OIL &amp; GAS ONSHORE, L.P. (N2995)

PHONE NUMBER: 720 929-6156

CONTACT: Danielle Piernot

PROPOSED LOCATION: NENW 17 100S 230E

Permit Tech Review: ☒

SURFACE: 0723 FNL 2241 FWL

Engineering Review: ☒

BOTTOM: 0822 FNL 0823 FWL

Geology Review: ☒

COUNTY: UINTAH

LATITUDE: 39.95408

LONGITUDE: -109.35216

UTM SURF EASTINGS: 640757.00

NORTHINGS: 4423960.00

FIELD NAME: NATURAL BUTTES

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU37355

PROPOSED PRODUCING FORMATION(S): WASATCH-MESA VERDE

SURFACE OWNER: 1 - Federal

COALBED METHANE: NO

## RECEIVED AND/OR REVIEWED:

- ☒ PLAT
- ☒ Bond: FEDERAL - WYB000291
- ☐ Potash
- ☐ Oil Shale 190-5
- ☐ Oil Shale 190-3
- ☐ Oil Shale 190-13
- ☒ Water Permit: 43-8496
- ☐ RDCC Review:
- ☐ Fee Surface Agreement
- ☒ Intent to Commingle

Commingling Approved

## LOCATION AND SITING:

- ☐ R649-2-3.
- Unit: PONDEROSA
- ☐ R649-3-2. General
- ☐ R649-3-3. Exception
- ☒ Drilling Unit
- Board Cause No: Cause 179-17
- Effective Date: 5/9/2012
- Siting: Suspends General Siting
- ☒ R649-3-11. Directional Drill

Comments: Presite Completed

Stipulations: 3 - Commingling - ddoucet  
4 - Federal Approval - dmason  
15 - Directional - dmason

RECEIVED: October 10, 2012





GARY R. HERBERT  
*Governor*

GREGORY S. BELL  
*Lieutenant Governor*

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
*Executive Director*

### Division of Oil, Gas and Mining

JOHN R. BAZA  
*Division Director*

## Permit To Drill

\*\*\*\*\*

**Well Name:** BONANZA 1023-17D4BS

**API Well Number:** 43047531840000

**Lease Number:** UTU37355

**Surface Owner:** FEDERAL

**Approval Date:** 10/10/2012

### Issued to:

KERR-MCGEE OIL & GAS ONSHORE, L.P., P.O. Box 173779, Denver, CO 80217

### Authority:

Pursuant to Utah Code Ann. 40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of Cause 179-17. The expected producing formation or pool is the WASATCH-MESA VERDE Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

### Duration:

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

### Commingle:

In accordance with Board Cause No. 179-17, commingling of the production from the Wasatch formation and the Mesaverde formation in this well is allowed.

### General:

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

### Conditions of Approval:

State approval of this well does not supercede the required federal approval, which must be obtained prior to drilling.

In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

### Notification Requirements:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:



- Within 24 hours following the spudding of the well - contact Carol Daniels at 801-538-5284

(please leave a voicemail message if not available)

OR

submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website

at <http://oilgas.ogm.utah.gov>

**Reporting Requirements:**

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) - due within 5 days of spudding the well
- Monthly Status Report (Form 9) - due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) - due prior to implementation
- Written Notice of Emergency Changes (Form 9) - due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) - due prior to implementation
- Report of Water Encountered (Form 7) - due within 30 days after completion
- Well Completion Report (Form 8) - due within 30 days after completion or plugging

**Approved By:**

A handwritten signature in black ink, appearing to read "John Rogers", written over a horizontal line.

For John Rogers  
Associate Director, Oil & Gas



<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU37355
<b>1. TYPE OF WELL</b> Gas Well		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.		<b>7. UNIT or CA AGREEMENT NAME:</b> PONDEROSA
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		<b>8. WELL NAME and NUMBER:</b> BONANZA 1023-17D4BS
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0723 FNL 2241 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NENW Section: 17 Township: 10.0S Range: 23.0E Meridian: S		<b>9. API NUMBER:</b> 43047531840000
<b>5. MATERIAL BUTTES</b>		<b>9. FIELD and POOL or WILDCAT:</b> MATERIAL BUTTES
<b>COUNTY:</b> UINTAH		<b>STATE:</b> UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>	
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 10/10/2013  <input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:  <input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:  <input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE  <input type="checkbox"/> CHANGE TO PREVIOUS PLANS  <input type="checkbox"/> CHANGE WELL STATUS  <input type="checkbox"/> DEEPEN  <input type="checkbox"/> OPERATOR CHANGE  <input type="checkbox"/> PRODUCTION START OR RESUME  <input type="checkbox"/> REPERFORATE CURRENT FORMATION  <input type="checkbox"/> TUBING REPAIR  <input type="checkbox"/> WATER SHUTOFF  <input type="checkbox"/> WILDCAT WELL DETERMINATION         </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING  <input type="checkbox"/> CHANGE TUBING  <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS  <input type="checkbox"/> FRACTURE TREAT  <input type="checkbox"/> PLUG AND ABANDON  <input type="checkbox"/> RECLAMATION OF WELL SITE  <input type="checkbox"/> SIDETRACK TO REPAIR WELL  <input type="checkbox"/> VENT OR FLARE  <input type="checkbox"/> SI TA STATUS EXTENSION  <input type="checkbox"/> OTHER         </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR  <input type="checkbox"/> CHANGE WELL NAME  <input type="checkbox"/> CONVERT WELL TYPE  <input type="checkbox"/> NEW CONSTRUCTION  <input type="checkbox"/> PLUG BACK  <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION  <input type="checkbox"/> TEMPORARY ABANDON  <input type="checkbox"/> WATER DISPOSAL  <input checked="" type="checkbox"/> <b>APD EXTENSION</b>          OTHER: <input style="width: 100%;" type="text"/> </div> </div>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Kerr-McGee Oil & Gas Onshore, L.P. (Kerr-McGee) respectfully requests an extension to this APD for the maximum time allowed. Please contact the undersigned with any questions and/or comments. Thank you.		
<div style="text-align: right;"> <b>Approved by the Utah Division of Oil, Gas and Mining</b>   <b>Date:</b> September 25, 2013   <b>By:</b> </div>		
<b>NAME (PLEASE PRINT)</b> Teena Paulo		<b>PHONE NUMBER</b> 720 929-6236
<b>SIGNATURE</b> N/A		<b>TITLE</b> Staff Regulatory Specialist
<b>DATE</b> 9/23/2013		





**The Utah Division of Oil, Gas, and Mining**

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices**

**Request for Permit Extension Validation Well Number 43047531840000**

**API:** 43047531840000

**Well Name:** BONANZA 1023-17D4BS

**Location:** 0723 FNL 2241 FWL QTR NENW SEC 17 TWNP 100S RNG 230E MER S

**Company Permit Issued to:** KERR-MCGEE OIL & GAS ONSHORE, L.P.

**Date Original Permit Issued:** 10/10/2012

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☒ Yes ☐ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

**Signature:** Teena Paulo

**Date:** 9/23/2013

**Title:** Staff Regulatory Specialist **Representing:** KERR-MCGEE OIL & GAS ONSHORE, L.P.



<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU37355
<b>1. TYPE OF WELL</b> Gas Well		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.		<b>7. UNIT or CA AGREEMENT NAME:</b> PONDEROSA
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		<b>8. WELL NAME and NUMBER:</b> BONANZA 1023-17D4BS
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0723 FNL 2241 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NENW Section: 17 Township: 10.0S Range: 23.0E Meridian: S		<b>9. API NUMBER:</b> 43047531840000
<b>PHONE NUMBER:</b> 720 929-6111		<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
<b>COUNTY:</b> UINTAH		<b>STATE:</b> UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>	
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 9/2/2014  <input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:  <input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:  <input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE  <input type="checkbox"/> CHANGE TO PREVIOUS PLANS  <input type="checkbox"/> CHANGE WELL STATUS  <input type="checkbox"/> DEEPEN  <input type="checkbox"/> OPERATOR CHANGE  <input type="checkbox"/> PRODUCTION START OR RESUME  <input type="checkbox"/> REPERFORATE CURRENT FORMATION  <input type="checkbox"/> TUBING REPAIR  <input type="checkbox"/> WATER SHUTOFF  <input type="checkbox"/> WILDCAT WELL DETERMINATION         </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING  <input type="checkbox"/> CHANGE TUBING  <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS  <input type="checkbox"/> FRACTURE TREAT  <input type="checkbox"/> PLUG AND ABANDON  <input type="checkbox"/> RECLAMATION OF WELL SITE  <input type="checkbox"/> SIDETRACK TO REPAIR WELL  <input type="checkbox"/> VENT OR FLARE  <input type="checkbox"/> SI TA STATUS EXTENSION  <input type="checkbox"/> OTHER         </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR  <input type="checkbox"/> CHANGE WELL NAME  <input type="checkbox"/> CONVERT WELL TYPE  <input type="checkbox"/> NEW CONSTRUCTION  <input type="checkbox"/> PLUG BACK  <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION  <input type="checkbox"/> TEMPORARY ABANDON  <input type="checkbox"/> WATER DISPOSAL  <input checked="" type="checkbox"/> <b>APD EXTENSION</b>          OTHER: <input style="width: 100px;" type="text"/> </div> </div>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Kerr-McGee Oil & Gas Onshore, L.P. (Kerr-McGee) respectfully requests an extension to this APD for the maximum time allowed. Please contact the undersigned with any questions and/or comments. Thank you.		
<div style="color: red; font-weight: bold;">             Approved by the              September 04, 2014              Oil, Gas and Mining           </div> <div style="color: red; font-weight: bold;">             Date: _____              By:  </div>		
<b>NAME (PLEASE PRINT)</b> Kay E. Kelly		<b>PHONE NUMBER</b> 720 929 6582
<b>SIGNATURE</b> N/A		<b>TITLE</b> Regulatory Analyst
<b>DATE</b> 9/2/2014		





## The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

### Request for Permit Extension Validation Well Number 43047531840000

API: 43047531840000

Well Name: BONANZA 1023-17D4BS

Location: 0723 FNL 2241 FWL QTR NENW SEC 17 TWNP 100S RNG 230E MER S

Company Permit Issued to: KERR-MCGEE OIL & GAS ONSHORE, L.P.

Date Original Permit Issued: 10/10/2012

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated? ☒ Yes ☐ No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? ☐ Yes ☒ No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? ☐ Yes ☒ No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location? ☐ Yes ☒ No
- Has the approved source of water for drilling changed? ☐ Yes ☒ No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? ☐ Yes ☒ No
- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

Signature: Kay E. Kelly

Date: 9/2/2014

Title: Regulatory Analyst Representing: KERR-MCGEE OIL & GAS ONSHORE, L.P.



<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU37355
<b>1. TYPE OF WELL</b> Gas Well		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.		<b>7. UNIT or CA AGREEMENT NAME:</b> PONDEROSA
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		<b>8. WELL NAME and NUMBER:</b> BONANZA 1023-17D4BS
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0723 FNL 2241 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NENW Section: 17 Township: 10.0S Range: 23.0E Meridian: S		<b>9. API NUMBER:</b> 43047531840000
<b>PHONE NUMBER:</b> 720 929-6104		<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
<b>COUNTY:</b> UINTAH		<b>STATE:</b> UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
<b>TYPE OF SUBMISSION</b>	<b>TYPE OF ACTION</b>	
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: <b>8/19/2015</b>  <input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:  <input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:  <input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE  <input type="checkbox"/> CHANGE TO PREVIOUS PLANS  <input type="checkbox"/> CHANGE WELL STATUS  <input type="checkbox"/> DEEPEN  <input type="checkbox"/> OPERATOR CHANGE  <input type="checkbox"/> PRODUCTION START OR RESUME  <input type="checkbox"/> REPERFORATE CURRENT FORMATION  <input type="checkbox"/> TUBING REPAIR  <input type="checkbox"/> WATER SHUTOFF  <input type="checkbox"/> WILDCAT WELL DETERMINATION         </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING  <input type="checkbox"/> CHANGE TUBING  <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS  <input type="checkbox"/> FRACTURE TREAT  <input type="checkbox"/> PLUG AND ABANDON  <input type="checkbox"/> RECLAMATION OF WELL SITE  <input type="checkbox"/> SIDETRACK TO REPAIR WELL  <input type="checkbox"/> VENT OR FLARE  <input type="checkbox"/> SI TA STATUS EXTENSION  <input type="checkbox"/> OTHER         </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR  <input type="checkbox"/> CHANGE WELL NAME  <input type="checkbox"/> CONVERT WELL TYPE  <input type="checkbox"/> NEW CONSTRUCTION  <input type="checkbox"/> PLUG BACK  <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION  <input type="checkbox"/> TEMPORARY ABANDON  <input type="checkbox"/> WATER DISPOSAL  <input checked="" type="checkbox"/> <b>APD EXTENSION</b>          OTHER: <input style="width: 100px;" type="text"/> </div> </div>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Kerr-McGee Oil & Gas Onshore, L.P. (Kerr-McGee) respectfully requests an extension to this APD for the maximum time allowed. Please contact the undersigned with any questions and/or comments. Thank you.		
<div style="color: red; font-weight: bold;">             Approved by the              August 20, 2015              Oil, Gas and Mining           </div> <div style="margin-top: 10px;"> <b>Date:</b> _____  <b>By:</b> </div>		
<b>NAME (PLEASE PRINT)</b> Jennifer Thomas		<b>PHONE NUMBER</b> 720 929-6808
<b>SIGNATURE</b> N/A		<b>TITLE</b> Regulatory Specialist
<b>DATE</b> 8/19/2015		





**The Utah Division of Oil, Gas, and Mining**

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

**Request for Permit Extension Validation Well Number 43047531840000**

API: 43047531840000

Well Name: BONANZA 1023-17D4BS

Location: 0723 FNL 2241 FWL QTR NENW SEC 17 TWNP 100S RNG 230E MER S

Company Permit Issued to: KERR-MCGEE OIL & GAS ONSHORE, L.P.

Date Original Permit Issued: 10/10/2012

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- Is bonding still in place, which covers this proposed well? ☒ Yes ☐ No

Signature: Jennifer Thomas

Date: 8/19/2015

Title: Regulatory Specialist Representing: KERR-MCGEE OIL & GAS ONSHORE, L.P.



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<b>NAME (PLEASE PRINT)</b> Joel Malefy		<b>PHONE NUMBER</b> 720 929-6828																														
<b>SIGNATURE</b> N/A		<b>TITLE</b> Regulatory Analyst																														
<b>DATE</b> 10/19/2016																																





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Signature: Joel Malefyt

Date: 10/19/2016

Title: Regulatory Analyst Representing: KERR-MCGEE OIL & GAS ONSHORE, L.P.